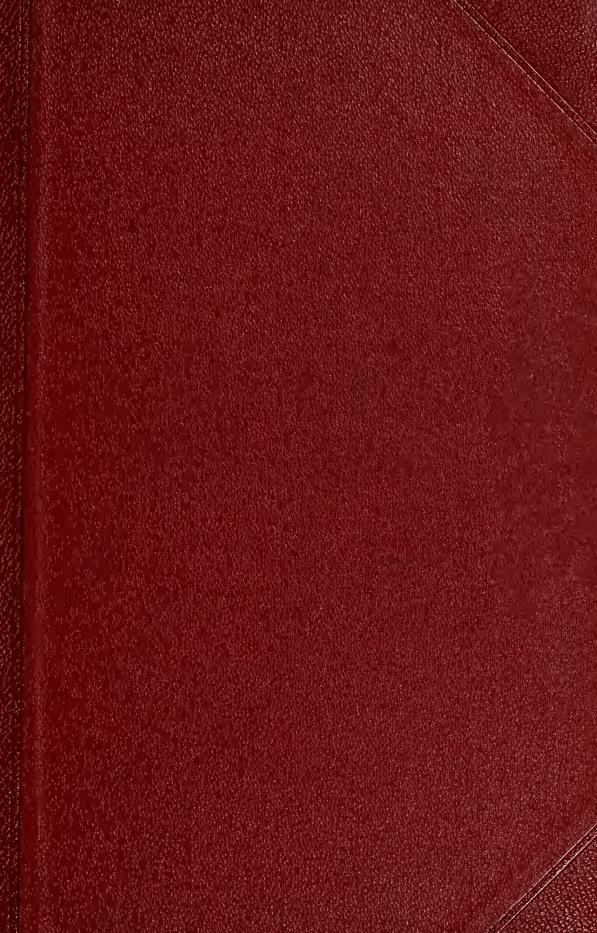
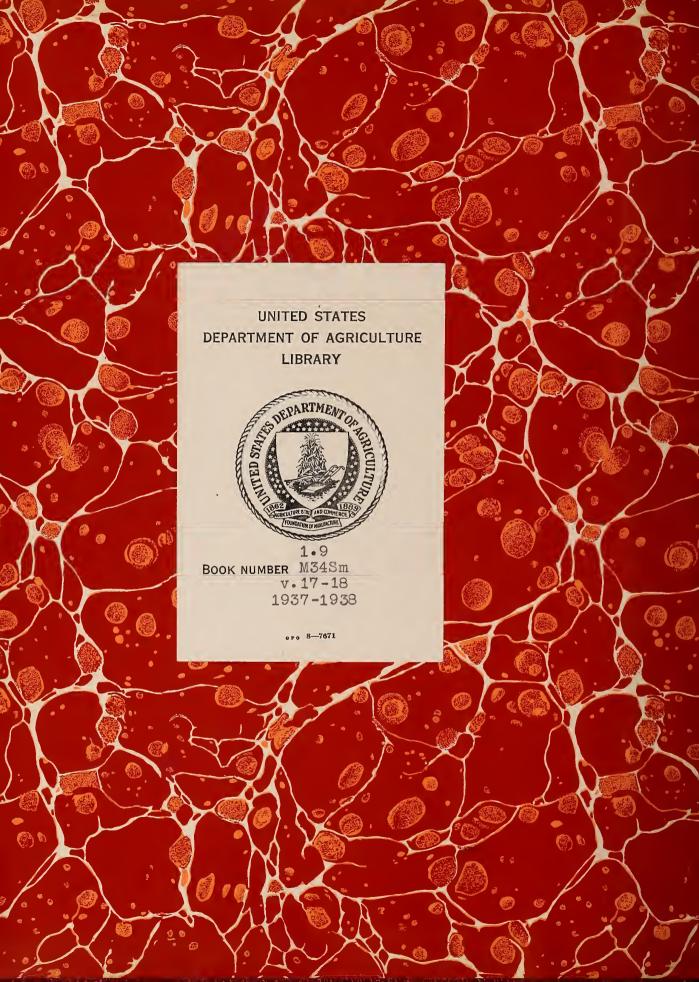
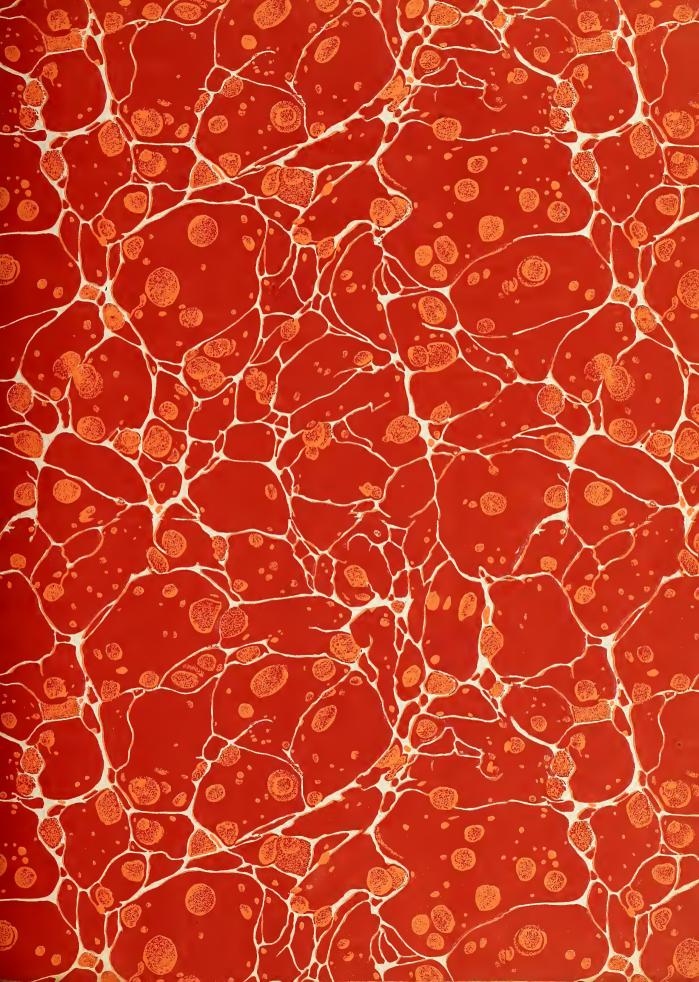
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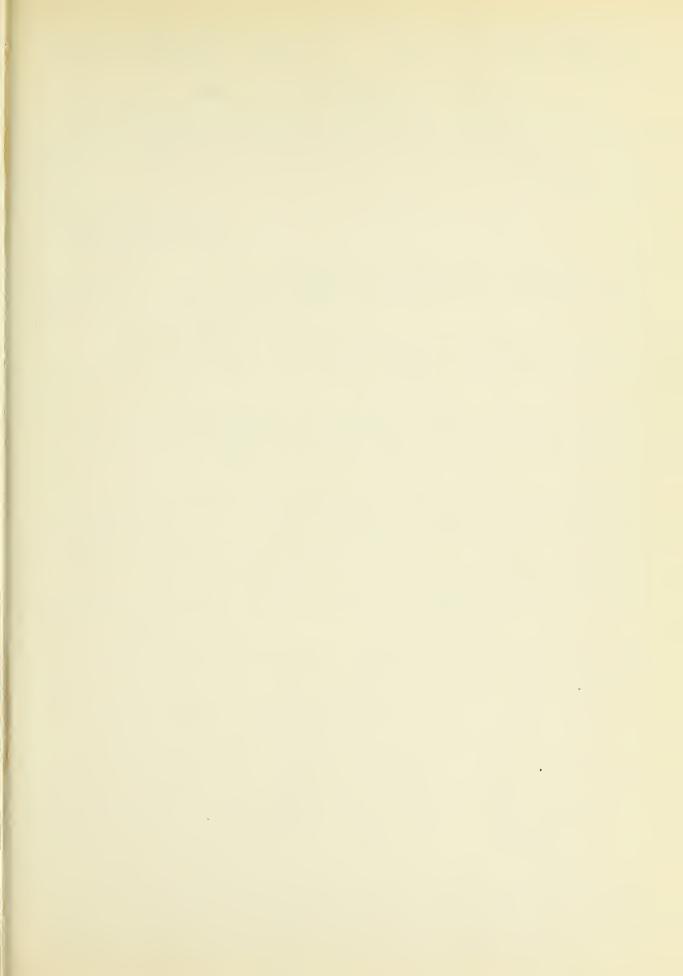














STATE AND FEDERAL

ARKETING

AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL 4 1937 ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

U. S. Department of Agriculture

January 6, 1937

Vol. 17, No. 1

CROP INSURANCE AIMS TO STABILIZE INCOME

Stability of farm income is one of the chief objectives of the Government's crop insurance program, R. M. Green of the Bureau of Agricultural Economics said this week, addressing the Institute of Rural Economics at New Brunswick, N.J.

A second objective, Green said, is "to prevent the exhaustion of credit and the need for public relief, by providing more surely for the regular farm expenses of taxes, interest, and other fixed overhead."

The speaker explained that crop insurance, with reserves invested in stored commodities, would build up reserve supplies sufficient to protect consumers against ill effects of a series of short crops due either to natural causes, adjustment measures, or to a combination of both.

These reserves, he pointed out, would be built up in years of large crops, but "not for price-pegging purposes." It is not proposed to insure prices but to insure yields, an objective which would be achieved by basing "both premium payments and loss payments on physical quantities such as bushels or pounds."

One way of avoiding price insurance, and at the same time combining insurance with commodity storage, he suggests, would be for the Government to invest in grain in storage the premiums which may be paid to the Government in cash.

Green expressed the opinion that the actuarial problem in crop insurance has been solved by the availability of annual crop yield records covering a large number of farms. Although these records are for a relatively short period of about six years, he said that from a rate-making standpoint these years have been such bad crop years that they should result in a safe measurement of risks.

Under the proposed plan, individual crop yields would be underinsured and farmers would thus be required to carry part of the risk. This would eliminate any tendency for farmers to neglect their crops in order to gather loss payments, Green said. Possible ways to reduce the tendency for poorer risks to insure, and for the better risks to avoid insuring, also were described.

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PRICES received by farmers for their principal crops produced in 1936 averaged 26 percent higher than for the 1935 crops and came within 13 percent of the 1929 level, according to the Bureau of Agricultural Economics. The sharp increase in 1936 crop prices is attributed to a generally improved demand situation and to smaller supplies.

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NEW JERSEY SEES 'GOOD YEAR' AHEAD

New Jersey farmers anticipate a good year in 1937 although there are "go slow" signs facing producers of some important crops, said Secretary William B. Duryee, New Jersey Department of Agriculture, this week.

To counteract high costs of feed and hay, dairymen in the State are being urged to produce feedstuffs, eliminate "boarder" cows, and to manage pastures scientifically.

Poultrymen face the same problem of high feed costs, the Secretary said. Potato growers were cautioned that "too heavy potato production will glut the market with serious economic consequences to producers.

"The caution sign is out for vegetable growers," Secretary Duryee said, pointing out that "in 1936 vegetable prices lagged in improving behind other commodities," and that "the outlook for the new year is most uncertain."

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MINNESOTA REPORTS HIGH FARM INCOME

Minnesota's 1936 farm income will total about \$300,000,000, the largest since 1931, and about \$70,000,000 above that of 1935, according to Warren C. Waite, University of Minnesota.

Dr. Waite said that "the income, represented by gross sales cash income from 16 principal agricultural products, increased in each of the important groups - crops, livestock and livestock products."

Crop prices in the early part of the year were less than in the same period of 1935, but in the latter part of 1936, prices were well above prices during the same period of 1935. Increased sales of livestock resulted largely from greater physical sales of both hogs and cattle.

Cash expenses for farm operation, including taxes and interest were estimated at \$160,000,000 in 1936. The net cash income, therefore, was about \$140,000,000. The figures do not include the value of farm products used by farm families or changes in inventory values of livestock or crops.

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ADJUSTMENT ADMINISTRATION DIVISION PAYMENTS INCREASED

The Agricultural Adjustment Administration announced today that the rates on Class 1, or diversion payments to farmers participating in the 1936 Conservation Program in North Central and Western Regions had been increased 7 percent and in the East Central Region 5 percent to equalize payments in all regions.

This means that producers who would have received \$100 for shifting from corn, tobacco and other soil-depleting crops to soil-conserving crops under the old rates, will now receive \$107 in the North Central and Western Regions and \$105 in the East Central Region. In these regions, county administrative expenses for conducting the conservation program are deducted from the payments. A total of \$27,116,034.92 was paid to producers under the 1936 program up to December 31, 1936.

RETAIL FOOD COSTS BELOW FIVE-YEAR PEAK

Retail costs of food increased slightly during the month ended December 15, but were below the five-year peak which was reached on September 15, 1936, according to the Bureau of Labor Statistics. The Bureau's index was 82.9 for December 15, compared with 82.5 on November 17, and with 84.3 on September 15. The 1923-25 three-year average equals 100.

Groups of products higher priced on December 15 than a year ago were dairy products, eggs, and fruits and vegetables. Lower priced groups were cereals and bakery products, meats, fats and oils, and sugar and sweets. The advance during the past month was due largely to an increase in prices of fruits and vegetables.

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BEET SUGAR QUALITY MARKEDLY IMPROVED

Marked progress by the beet sugar industry during the last four years in improving and standardizing the quality of beet sugar, is reported by Dr. Henry G. Knight, Chief, Bureau of Chemistry and Soils. The improvement, he says, has resulted in a product suitable for the most discriminating consumer.

Dr. Knight points out that "usually, there is a lag in the application of research results to actual commercial practice, but the beet sugar industry has been unusually progressive in applying new information." The industry is reported to be adopting a new instrument developed by the Bureau — a photo-electric reflectometer, which does away with the element of human judgment in indicating the appearance of a sample of sugar, and which gives a numerical index as an aid in applying closer standards of quality.

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COTTON MARKET HELPED BY INCREASED CONSUMPTION

Strength in the cotton market in recent weeks is due chiefly to the high level of domestic cotton consumption and the relatively small supply of American cotton in trade channels, according to the Bureau of Agricultural Economics.

Announcement of the 1937 agricultural conservation program for the South, and reports of smaller crops than anticipated in India and Northern Brazil, also have tended to strengthen prices in this country, the Bureau says.

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FARMERS' GROSS INCOME from agricultural production has been raised by more than four billion dollars during the last four years, according to the Bureau of Agricultural Economics. The gross income was \$9,530,-000,000 for 1936, compared with \$5,337,000,000 in 1932.

Gross income dropped more than a half from 1930 through 1932, but has recovered more than 80 percent of this loss.

MARKETING COSTS AND MARGINS

(Excerpts from "Looking Ahead on Agricultural Policy" by the Bureau of Agricultural Economics)

In addition to changes in demand and supply, the gross income of agricultural producers might be increased by a reduction of marketing costs and margins to the extent that farmers received the benefits of such a reduction. No material decrease in these costs, however, seems likely in the immediate future.

The most important factors affecting costs of processing and distribution are: (1) hourly wage rates, (2) freight and transportation costs, and (3) operating efficiency. Most of the changes which have taken place in gross marketing margins since 1913 are to be explained by changes in wage rates.

Since the trend of wages has been upward for the past several years no reduction in marketing margins in the near future is probable so far as this factor alone is concerned. Freight rates also are relatively inflexible, and further immediate reductions in motor truck charges are not likely for the present. The probability exists for a gradual increase in marketing efficiency, particularly in the retailing function and in the terminal wholesaling and jobbing of perishable commodities. Any gains in distributive efficiency, however, are likely to come slowly so long as the marketing structure retains substantially its present form.

Efficiency in agricultural marketing and production is also influenced by the laws and regulations affecting the movement of agricultural products within the United States. There has been in recent years a marked increase in local marketing regulations, tending in some cases to restrict the free movement of agricultural products between regions. Such restrictions may give temporary advantage to particular groups of producers, but if carried to extremes would inevitably lead to higher food prices and reduced consumption, without benefiting agricultural producers as a whole.

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FARMERS APPLY FOR SEED CORN LOANS

Farmers of midwestern States in which the emergency seed corn loan program is in effect, had applied (up to December 28) for loans on about 200,000 bushels of corn, according to the Agricultural Adjustment Administration.

The seed corn loan at the rate of \$1.75 per bushel, and the field run corn loan at the rate of 55 cents a bushel, are being made through the Commodity Credit Corporation, financed through a commitment up to \$10,000,000 from the Reconstruction Finance Corporation.

The program enables farmers to borrow on farm-stored, selected seed corn in seed deficient areas in South Dakota, Nebraska, Kansas, Missouri, and designated parts of Colorado, Minnesota, Illinois and Iowa.

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AND OTHER ECONOMIC WORK. S. Department of Agriculture

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 13, 1937

Vol. 17, No. 2

BETTER LAWS NEEDED ON PRODUCE HANDLING

The multiplicity of State laws dealing with the grading, branding, inspecting, and packaging of fruit and vegetable shipments was discussed by Wells A. Sherman of the Bureau of Agricultural Economics, addressing the National League of Wholesale Fresh Fruit and Vegetable Distributors in annual convention at Atlanta, Georgia, January 13.

The speaker declared that some of this legislation impedes the flow of perishable products across State lines, and he asked for cooperation between produce dealers and growers to obtain laws and regulations which will facilitate rather than hamper interstate trade in these products.

"State action," he said, "should apply only to interstate business or to those products of the State which are not yet under interstate billing. The jurisdiction of the State in purely economic matters which do not involve public health, pest, or disease control, or fraud, or misrepresentation, begins only when the goods are offered for sale within the State, not when they reach its borders."

Sherman called attention to practices which hamper interstate motor truck movement of perishables. Since these products are in interstate trade, he said, they are subject only to the laws of Congress, except as the States may examine for the purpose of enforcing quarantine or public health measures."

Consumer Legislation

A trend toward State legislation designed to protect consumers was reported by the speaker. He cited, as an instance, the law in Connecticut which requires grade labeling of retail packages of potatoes. Should the consumer grading movement spread, he said that the trade must speed up the distribution of fresh fruits and vegetables so that products handled over the counter will still meet grade requirements.

Misbranding of fresh fruits and vegetables, which is a violation of the Federal Food and Drugs Act, was also discussed by the speaker, who reported that the Secretary of Agriculture recently commissioned the food products inspectors of the Bureau of Agricultural Economics as inspectors under the Food and Drugs Act.

"This means," said Sherman, "that the results of any inspection which we may make can be used as a basis for action under the Food and Drugs Act if the products are so misbranded as to warrant such action."

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RHODE ISLAND PUSHES EGG QUALITY PROGRAM

Rhode Island Bureau of Markets, as a part of its "Egg Quality Program," has issued a bulletin on the subject, which contains information on the poultry industry in Rhode Island, and cites rules and regulations under the recently enacted Rhode Island egg marketing law. The bulletin contains copies of all laws pertaining to the marketing of eggs; suggestions to producers, retailers and consumers regarding the production, marketing and care in handling of eggs; definitions of terms concerning egg quality, and other information relative to the orderly marketing of high quality eggs.

Russell C. Hawes, Chief of the Bureau, reports that "our new egg law is being rigidly enforced as to quality and size requirements. We insist that all containers be properly marked according to the proper grade and size, that all advertisements state the grade and size, and that the grade and size used in window displays shall be in block letters one half the size of the tallest letter or figure."

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MISSISSIPPI PROMOTING "LIVE-AT-HOME" PROGRAM

A live-at-home program is being urged upon Mississippi farmers, by Commissioner of Agriculture J. C. Holton in that State. Farmers planning their 1937 operations are being urged to make sure of an abundance of food for the family, feed for livestock - in many instances for increased numbers of livestock - and then for a "reasonable share of that amount of cotton which the world will use and pay a decent price for."

Enough corn and other feedstuffs, gardens, truck plots, and orchards, adequate home supplies of milk, butter, eggs and meat, "lead to sure and lasting prosperity", says Commissioner Holton.

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LOUISIANA PRODUCE GROWERS HAD "SATISFACTORY YEAR"

Citing figures on the output of fruits and vegetables B. B. Jones of the Louisiana Extension Service says that "the growers had a satisfactory year in 1936. Market prices for a number of the leading commodities were higher," he continues, "than during the previous year, and with the better demand that is expected for 1937, the coming shipping season is expected to show further improvement."

Louisiana growers are being advised, however, not to make any sizeable increase in the acreage of the various crops, since "this is apt to develop surpluses which will hold markets to lower price levels." Rail shipments of fruits and vegetables in 1936 exceeded those of 1935 by 2,781 cars.

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"COST OF OPERATING Farm Motor Trucks on Grain Farms (Northern Great Plains and Pacific Northwest, 1933)" is the title of a mimeographed report now obtainable from the Bureau of Agricultural Economics, Washington, D. C.

NORTH DAKOTA SETS UP SHEEP IMPROVEMENT PROGRAM

A 10-point sheep improvement program designed to help North Dakota farm flock owners to increase their returns has been formulated by the North Dakota Extension Service.

Emphasis is being put upon the use of good purebred rams, lamb grading, care of the breeding flock, care at lambing time, docking and castrating of lambs, dipping for control of ticks, wool marketing, and internal parasite control.

The Service says "the outlook for the sheep industry is good."

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DAIRY INDUSTRY LEADERS TO MEET AT BALTIMORE

Dairy industry leaders of twelve northeastern States will meet at Baltimore, Maryland, January 27 and 28 to consider national and local problems of milk production and marketing. The meeting is being sponsored by the Northeastern Dairy Conference, an organization that represents the dairy industry from Maine to West Virginia. Costs of production and marketing will be discussed. Other subjects include "the value of milk-marketing cooperative organizations", and milk control programs.

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APPLE GROWING SURVEYED IN MID-EASTERN STATES

York Imperial is the leading apple variety grown in the central eastern apple belt, according to preliminary results of a Bureau of Agricultural Economics survey of commercial apple production in Virginia, West Virginia, Maryland, Pennsylvania and Delaware.

The York Imperial led both in yield and in average gross income from an acre of orchard. Ben Davis ranked high in yield but was lowest of the twelve leading varieties in money return from an acre. The study covered the four years 1931-34. Copies of the report are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

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WORLD COTTON TRADE REPORT NOW AVAILABLE

The detailed statistical story of international trade in cotton and linters from 1921 through 1935 has just been released by the Bureau of Agricultural Economics in a mimeographed report.

It shows, among other things, that the United States - leading exporter of cotton - supplied 60 percent of all the cotton entering into world trade during the five years. The Bureau points out, however, that the position of the United States during this period was relatively less important than before the World War or than during the five-year period 1926-30, although higher than the 1921-25 average.

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THE ESTIMATED ANNUAL LOSS to the poultry industry, from eggs that fail to hatch is \$20,000,000, according to New York College of Agriculture.

THE WEEK IN BRIEF

WOOL PRICES will be well maintained during the next few months. in view of the strong demand and relatively small wool supplies, said the Bureau of Agricultural Economics. The strong demand in consuming countries was attributed in part to improved economic conditions and to "rearmament programs in some foreign countries."

INTERSTATE SALE of mixed domestic and imported alfalfa or red clover seed violates the Federal Seed Act, the Department of Agriculture told seed dealers. The Act requires the staining of all imported seed of alfalfa and red clover, so that farmers may know when they are buying imported seed.

A COMMITTEE of nationally-known scientists (at the request of Secretary Wallace) has been appointed by the National Academy of Sciences to review the research program of the Food and Drug Administration on the toxicity of lead and arsenic. The program is designed to answer scientifically the question as to safe tolerances in spray residues.

SIX PUBLIC HEARINGS will be held in various parts of Texas next week on a proposed marketing agreement and order for handlers of onions. the Agricultural Adjustment Administration announced. The proposed agreement and order would apply to 11 counties in northern Texas and 22 counties in southern Texas, in which carlot shipments of onions were made during the past few years.

PENNSYLVANIA'S NEW POTATO GRADING and marketing program increased the value of the 1936 crop by more than \$3,000,000, said J. Hansell French, Pennsylvania Secretary of Agriculture. He declared that "other potato-producing States are planning to adopt the Pennsylvania plan."

CALIFORNIA Department of Agriculture reported an increase of \$11,565,000 in the annual returns to farmers for the sale of truck crops in 1936. California spinach canners were reported to be looking forward to a busy year, having contracted to handle the crops from more acreage than in any year of the last three.

NEW YORK Department of Agriculture urged consumers to "eat plenty of butter at every meal", saying "there is no substitute or by-product than can replace the value of butter, in its entirety, as a food." A booklet "Butter for the Bread of America" was issued.

MORE THAN 8,000,000 pounds of frozen fresh vegetables were in cold storage on January 1, reported the Bureau of Agricultural Economics. The Bureau will announce holdings of these products, monthly. Holdings of more than 70,000,000 pounds of frozen and preserved fruits were also reported.

HOW COTTON PRODUCTION in the State of Sao Paulo, Brazil, increased from about 46,000 bales a year since the late 1920's to 784,000 bales in 1935-36, was told in "Foreign Agriculture", a new monthly publication by the Bureau of Agricultural Economics.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

☆ JAN 27 1937 ☆

A BEVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 20, 1937

Vol. 17, No. 3

STYLE CHANGES NOTED IN PRODUCE PACKAGES

A marked trend toward smaller shipping containers for fruits and vegetables and toward consumer-size packages is reported by marketing specialists of the Bureau of Agricultural Economics.

Cranberries a few years ago were marketed in barrels; now they come in boxes. Fruits and vegetables generally are being marketed in baskets or boxes instead of barrels. Texas onions used to be shipped in "log-cabin" crates; now they go to market in the newly developed openmesh bag.

About 90 percent of the total annual movement of from 1,200,000 to 1,300,000 carloads of fruits and vegetables by rail, ship, and motor truck is being packaged now as compared with 87 percent a few years ago.

Use of consumer-sized bags for certain products is increasing, says the Bureau, citing the use of mesh bags and paper bags in marketing potatoes, apples, onions, and citrus fruits. Some products are being marketed in paper cups.

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TENANTS ON TWO OUT OF EVERY FIVE FARMS

Two out of every five farms in the United States are being operated by tenants, declared Conrad T. Taeuber of the Bureau of Agricultural Economics, in an address this week at Fairfax Hall College, Waynesboro, Va. There are more White than Negro share croppers in the South, he said, in pointing out relationships between croppers and other farm workers. A recent survey of share croppers revealed an average net income per family of \$312 for the year or \$71 per person. In one small area it dropped to \$38 per person, or slightly more than 10 cents a day.

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TWENTY-ONE STATES HAVE MILK CONTROL BOARDS

A survey by the University of California reveals that 21 States have milk control boards or administrations to prevent "milk wars" and improve trade practices.

Commenting on the underlying causes of "milk wars" and other problems affecting the market milk industry, J. M. Tinley of the University says that "in many important milk markets the number of separate distributing agencies increased in the face of a limited and often declining total volume of consumption.

"The introduction of labor saving machinery in market milk dis-

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tribution." he adds. "has undoubtedly resulted in some increase in efficiency per employe, and hence should have been accompanied by a decrease in united cost of distribution and in distributors' margins: actually, distributors' margins have not declined to any extent over the past decade or two."

Professor Tinley's report, and an analysis of the milk control laws in the various States, may be obtained from the Bureau of Public Administration, University of California, Berkeley, Calif.

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NEW YORK PROMOTING

"EAT-AN-EGG-A-DAY" DRIVE

New York consumers are being urged to "eat-an-egg-a-day" in a campaign being waged by New York Department of Agriculture. As a part of the drive, retailers are being "warned" to "keep eggs under refrigeration at all times until used." At the same time, consumers are being told: "Beware of grocer who says his eggs displayed on open counter are Grade A -- cold is as necessary for eggs as for milk or butter." Eggs stored at room temperature, even for a few hours, it is stated, undergo a lowering of quality.

The Department has issued a recipe book "to assist consumers in buying the right grade of New York State eggs needed for the purposes intended, and to advise them of new and novel ways for using eggs."

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BEEF SUPPLY TO BE

SMALLEST IN THREE YEARS

Commercial slaughter supplies of cattle and calves in 1937 apparently will be the smallest in three years, the Bureau of Agricultural Economics said this week in its January report on the beef cattle situation. The slaughter supply, it is expected, will include a relatively small number of the better grades of grain-fed cattle.

The number of cattle on feed for market in the Corn Belt states was estimated at 23 percent less this January 1 than a year ago, but in the Western States there were more cattle on feed than a year ago.

In view of the prospective decrease in slaughter supplies and the probable further increase in consumer demand for meats, the Bureau expects the general level of cattle prices in 1937 to be higher than prices in 1936. Prices of grain-fed cattle are expected to advance during the first half of 1937, whereas prices normally decline in the first half of the year.

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CALIFORNIA CITRUS

DAMAGED BY FREEZE

The Crop Reporting Board announced this week that although injury to the California citrus crops by low January temperatures cannot be definitely known for some time, preliminary reports from reliable sources indicate a possible loss since January 1 of from 10 to 20 percent of the 1036-37 citrus crops. The Navel orange crop is approximately threefourths harvested, but damage to the unharvested portion of this crop

has been more definitely ascertained than for other oranges."

California Department of Agriculture reported that State and County officials have mxved to prevent the marketing of fruit damaged by the recent cold weather. Two cars of frost damaged fruit were taken from a train halted at Barstow as it was en route out of the State, and another carload was held at Yermo. Several highway checking stations have been set up for the inspection of trucks carrying citrus fruits.

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NEW JERSEY FEARS PEACH CROP LOSS

Fears for next summer's peach crop (in New Jersey) if sub-zero temperatures should strike New Jersey orchards in which peach buds have been swelled by the unseasonably high temperatures of the past six weeks, were expressed this week by Arthur J. Farley, extension pomologist, New Jersey College of Agriculture.

Farley reported that south of New Brunswick the buds are swelled more than is normal for this time of year. The greatest danger in a year like this, he said, is likely to be from a late spring frost.

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MILK WEATHER AIDS MILK PRODUCTION

Total milk production is running about 2 percent larger than a year ago despite fewer milk cows on farms, said the Bureau of Agricultural Economics in its January review of the dairy situation. Mild fall weather and the fact that farmers are milking a rather higher percentage than usual of the cows in their herds probably account largely for the sustained output of milk, it was stated. Production of principal manufactured dairy products during the fall months was much larger than a year ago, but the movement of these products into consuming channels has been somewhat smaller.

Butter prices rose in early January - a period of the year when prices usually decline.

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MORE HOGS FOR MARKET THAN EXPECTED EARLIER

The inspected slaughter of hogs during the 1936-37 marketing season (October through September), probably will be from 12 to 16 percent more than in 1935-36, the Bureau of Agricultural Economics said this week in its January summary of the hog situation. The extent of the increase in hog slaughter, however, will depend, it was stated, partly on the prospect for corn production in 1937 and partly on the proportion of hogs going into inspected slaughter from areas outside the Corn Belt. The increase in slaughter supplies is somewhat larger than was estimated by the Bureau in November.

PRICES OF FARM PRODUCTS CONTINUE THEIR ADVANCE

A substantial rise in prices of farm products during the past month was reported by the Bureau of Agricultural Economics in its mid-January summary of the price situation. Only exceptions were prices of poultry and eggs.

World wheat prices continued their upward trend during December, the seasonal rise in hog prices which started in late November continued through December, cattle prices in early January reached the highest level in about a year, prices of slaughter lambs and ewes advanced, and prices of potatoes were sharply higher.

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NEW JERSEY FARMERS TO DISCUSS MARKETING PROBLEMS

Whether potato grading should be on a compulsory or a voluntary basis will be one of the questions put to farmers attending Agricultural Week at Trenton, New Jersey, January 26 to 29.

Warren W. Oley, Chief, New Jersey Bureau of Markets, says that in some sections, growers have increased returns by not only grading carefully but washing or brushing the tubers before shipment. It is evident, he says, that there is need for still further improving the pack of New Jersey potatoes.

Annual conventions will be held during the Week by the New Jersey State Poultry Association, New Jersey State Potato Association, New Jersey Alfalfa Association, and New Jersey Field Crop Improvement Association.

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ARGENTINA REPORTS BIG COTTON ACREAGE; CROP POOR

An all-time record area of cotton was planted in Argentina this season - 1,015,000 acres - but the crop in the Chaco Territory, where most of the crop is grown, is much delayed and the plant development is poor, according to the Buenos Aires office of the Bureau of Agricultural Economics. The area of the 1935-36 crop was 763,000 acres.

The crop is poor also in Corrientes, the second most important producing area.

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FARMERS PAYING HIGHEST WAGES

Farm wages, averaging 103 percent of their pre-war level, are the highest since 1931, according to the Bureau of Agricultural Economics. On January 1 this year, the supply of farm labor was 91 percent of normal, compared with 97 percent a year ago. The supply of labor available in rural areas was reported the smallest for January 1 since 1927.

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NEW JERSEY STATE POLICE are working out a beehive identification system in a campaign against thieves.

STATE AND FEDERAL

MARKETING ACTIVITIE AND OTHER ECONOMIC WORK

U. S. Department of Agriculture

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 27, 1937

Vol. 17, No. 4

NEW YORK FORECASTS BIGGER PRODUCE SALES

Expanded markets for fruits and vegetables as the result of recent developments in quick-freezing, in dehydration, and in the use of fruit and vegetable juices were forecast tls week by Dr. Donald K. Tressler of New York Experiment Station.

The new processes will help to avoid market gluts, he said, in that products may be stored for long periods; they also will furnish a market for quantities of second grade fruits and vegetables of excellent flavor and other qualities but which lack the appearance necessary to be sold in the higher grades.

Dr. Tressler said that 16,000,000 pounds of vegetables, and 86,000,000 pounds of fruits were frozen last year. Wholesale distribution is fairly general, but retail distribution is limited largely to New England, New York, New Jersey, and Maryland.

With regard to dehydration, Dr. Tessler said that by use of the drum drying method, apple sauce can be dried in 20 seconds and the resulting apple flakes stored in moisture-proof packages for use in confectioneries and for flavoring.

Discussing the "phenomenal" rise of the American fruit juice industry, Dr. Tessler reported that 22,000,000 cases of fruit and vegetable juices were produced last year. Superior quality concentrated fruit juices are now made, he said, by freezing, and then by centrifuging the slush.

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PENNSYLVANIA REPORTS ON YEAR'S ACTIVITIES

Vigorous enforcement of the Pennsylvania Fresh Egg Law last year led to the condemnation of millions of rotten eggs and to the "exiling" of millions of eggs which had been in cold storage for more than a year and therefore could not be legally sold in Pennsylvania, said Secretary French of Pennsylvania Department of Agriculture, in his annual report issued this week.

Reporting on other activities, Secretary French said that "aggressive leadership taken by the Bureau of Markets in the field of inspection and grading is largely credited by growers, packers, canneries, and distributors for the tremendous increase in the demand for Pennsylvania-grown tomatoes, potatoes, apples, peas and other farm products during 1936.

"Careful grading and inspection," he continued, "so enhanced the reputation of these Pennsylvania products for quality and uniformity

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that new canneries were established at many points in the State and the leading national packers contracted for a larger volume of the products of Pennsylvania's world-famous soil. The rrading and inspecting of canning tomatoes added more than a million dollars to the income of the farmers of the State last year."

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FARM CASH INCOME RAISED TO NEW HIGH

An unexpected large gain in December income has raised the total cash farm income from marketings for the year 1936 to \$7,865,000,000 as compared with \$7,090,000,000 in 1935, according to the Bureau of Agricultural Economics.

The gain in cash income in 1936 compared with 1935 came entirely from sales of farm products, since government payments made under the adjustment programs were only half the sum paid in 1935. Income from poultry and eggs marketed was about the same as in 1935, but from all other groups of products was substantially higher.

Farmers' cash income is expected to be larger in the first quarter of 1937 than in the corresponding period of 1936, as a result of higher prices and increased government payments to farmers.

Continuation of "strong consumer demand" for farm products was forecast for the first quarter of 1937. Marketings of a number of farm products — grains, apples and potatoes — are likely to be smaller than usual in volume the next three months, but a high level of prices is expected.

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BUYS SURPLUS EGGS FOR RELIEF DISTRIBUTION

Nearly \$300,000 has been spent in the surplus egg purchase program of the Agricultural Adjustment Administration; purchases are being continued as conditions warrant, and a large part of the eggs bought will be distributed in the flood stricken areas, Secretary Wallace announced this week.

Secretary Wallace said that since the AAA took steps to improve the situation, the spread between the wholesale price and the retail price of eggs in New York City has narrowed by about 6 cents a dozen. The purchasing of surplus eggs is desirned to prevent a continuation of the abnormally sharp decline in winter farm egg prices, to encourage a narrowing of the spread between farm and retail prices, and to discourage heavy forced sales of poultry now and reduced hatching this spring.

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CALIFORNIA REGULATING SHIPMENTS OF CITRUS

Regulations to prevent the shipment of frozen citrus fruit were announced this week by California Department of Africulture. The Department ruled that "all citrus fruits which, in the opinion of enforcement officials, have at any time been subjected to temperatures low enough to cause damage, are shipped in violation of the State Agricultural Code if

a sample of such fruit shows serious freezing damage after being held for a period long enough to permit the frost symptoms to develop."

Shippers and packers in California are being warned not to pack cr ship any citrus fruits which they know have been damaged by low temperatures.

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MOTOR-TRUCKED GRAIN MUST BE INSPECTED

A ruling requiring government inspection of grain transported by motor trucks in interstate commerce was issued this week by the Bureau of Agricultural Economics.

Inspection officials said that inspection by a licensed inspector under the Grain Standards Act "must be obtained on grain which is sold by grade and shipped or delivered for shipment in interstate commerce from or to an inspection point." The burden of obtaining inspection is upon shippers.

Officials explained that the ruling puts grain transported by motor truck under the same requirements as grain transported by rail or boat. It was necessitated by the increasing use of motor trucks in the transportation of grain across State lines.

Copies of the ruling may be obtained from the Bureau of Agricultural Economics at Washington or from any office of Federal Grain Supervision.

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CONNECTICUT AUCTIONS REPORTED "SUCCESSFUL"

Strawberry growers in the New Haven district of Connecticut organized, in 1932, an auction market patterened after the auctions in New Jersey. The market was so successful, says John Christensen, President, Vegetable Growers' Association of America, that an auction was started the following year in Manchester, by growers in the north central part of the State.

Christensen reports that "steadily increasing sales at higher prices have featured these auctions from the beginning, and other products, such as peaches, cauliflower, and tomatoes have been sold successfully. The problems of our strawberry growers have been practically solved, and our strawberry acreages have been increased without adversely affecting the marketability of the crops."

Cooperating vegetable farmers created an auction market rine years ago in Cumberland County, New Jersey. Now there are nine produce auctions in New Jersey.

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NEW YORK INSPECTION VOLUME IS HEAVY

Increased use of its fruit and vegetable inspection service was reported this week by New York Department of Agriculture. Tomatoes were

inspected for 45 canneries last year. Of more than 177,000,000 pounds which were certificated, about 67 percent graded U.S. No. 1, and about 31 percent graded U.S. No. 2. Other products inspected were grapes, apples, cherries, spinach, cabbage for kraut, cucumbers for pickles, peas, sweet corn, snap beans, and beets.

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THE WEEK IN BRIEF

A PUBLIC HEARING on a proposed marketing agreement for handlers of citrus fruit grown in Texas will be held at Mercedes, Texas, on February 13, the Agricultural Adjustment Administration announced. The agreement is designed to help the industry in improving selling conditions and returns to growers through adjusting shipments of grapefruit, oranges, and tangerines in interstate commerce and to Canada more nearly in accordance with market requirements.

SLAUGHTER SUPPLIES of sheep and lambs probably will decrease seasonally during the next three months, said the Bureau of Agricultural Economics. The number of lambs on feed for market on January 1, 1937, was only 4 percent smaller than a year ago, but the number on feed in areas which usually market lambs late in the season was considerably smaller. Consumer demand for dressed lambs in 1937 is expected to be stronger than in 1936.

SECRETARY WALLACE this week approved a marketing agreement for handlers of milk in the Fort Wyne, Ind., marketing area, effective February 1. The agreement provides that milk shall be classified into three classes, and that returns of proceeds of the sale of milk shall be pro-rated to producers in accordance with a base rating plan and a market pool.

STRENGTH IN WORLD WHEAT PRICES during the next month will continue to depend largely on the aggressiveness of European buying, said the Bureau of Agricultural Economics. It is expected that purchases by Italy and Germany will continue active. Unusually heavy shipments of new wheat are beginning to come from the Argentine, but the price-depressing effect of these larre early shipments will be offset in part by the relatively close adjustment this season between world supplies and requirements of wheat.

INCREASED NUMBERS OF HENS, record heavy production of eggs per hen, and a total production of eggs about a fifth greater than a year ago were reported by the Bureau of Agricultural Economics. Hens were laying about 15 percent more eggs per hen at the beginning of January than they were a year ago. Production of eggs on January 1 was about 20 percent larger than on January 1 last year.

FRANCE (because of the short crop of durum wheat in French North Africa) has found it necessary to open the French market to durum wheat from other countries, reported the Paris office of the Bureau of Arricultural Economics. Imports of durum wheat may be made, providing millers use a fixed percentage of durum from Algeria, Tunisia or Morocco in their milling mixture. Durum wheat is used in France largely for the manufacture of semolina.

STATE AND FEDERAL

N3+ NARKETING ACTIVITES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL

ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 3, 1937

Vol. 17, No. 5

DEPARTMENT RULES ON GRADE TERMS

The Department of Agriculture has announced that it will construe as "United States grades" such terms as "Fancy", "No. 1", or "Commercial" in cases arising under the Perishable Agricultural Commodities Act.

In a recent decision by the Secretary of Agriculture (in a case involving potatoes) it was stated that "in the absence of any qualifying words", the term "commercial", will be "deemed to mean U.S. Commercial in view of the fact that these grades are generally used in the trade." A similar decision was rendered in a case involving "Fancy" cucumbers.

The Department announced further that "when terms descriptive of the pack of tomatoes are used, such as 'Straight Pack' or 'U.S. One, Straight Pack', such terms will be deemed to have the meaning given in the Federal Standards for tomatoes to 'U.S. Straight Pack'."

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SEES MARKET FOR TURKEY BROILERS

Possibilities of developing a consumer demand for turkey broilers is seen by Prof. L. E. Weaver of the New York State College of Agriculture. He says the broilers are tender and tasty, and predicts that "it seems inevitable that turkey broilers will become a much-sought-after delicacy."

Discussing other developments in the poultry industry, Prof. Weaver says there is much interest in laying cages. The success of many large installations leads many persons to predict, he declares, that laying cages will eventually replace the usual flock system of poultry-keeping on most commercial farms.

Professor Weaver reports that although 140 varieties of 48 breeds of chickens are recognized as standard varieties by the American Poultry Association, less than 10 varieties are of commercial importance in producing eggs and meat.

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ILLINOIS REPORTS ON SOYBEAN COSIS

Results of a survey of cost of producing and harvesting soybeans on 250 central Illinois farms, covering the years 1928 to 1934, were published this week by Illinois College of Agriculture, in a bul-

1etin entitied "Soybean Costs and Production Practices."

Total costs of producing soybeans on the 250 farms during the last year of the study were \$17.95 an acre for beans harvested by binder and thresher, \$16.36 for beans harvested for hay, and \$14.89 for beans that were combined. Land charges accounted for about half of these totals, and operating costs for the remainder.

Harvesting with a combine required less than one-third as much man labor an acre and less than one-sixth as much horse labor as harvesting with binder and thresher.

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WIDESPREAD INTEREST IN MILK CONTROL LAWS

The University of California reports that many requests are being received for copies of its analysis of milk control laws. This analysis was prepared by Dorothy Campbell Culver for the Bureau of Public Administration of the University. The report is No. 1 of the 1937 Legislative Problems series which the Bureau of Public Administration is issuing for the use of legislators and others interested. It is a 25-page mimeographed pamphlet, obtainable from the Bureau at the price of 15 cents.

Professor J. M. Tinley of the University of California gave an address in Chicago, last December, entitled "Plant Operating Efficiency in the Market Milk Industry." A copy of this address is obtainable from the Giannini Foundation of Agricultural Economics, University of California, Berkeley.

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PENNSYLVANIA TOMATO INSPECTIONS INCREASED

Pennsylvania Department of Agriculture has reported that 58,000,-000 pounds of canning tomatoes were inspected during the 1936 season, as compared with 38,000,000 pounds in 1935. Secretary French of the Pennsylvania Department says that several new canneries will open in the Pennsylvania tomato centers this year, and that the State's acreage will be considerably increased to meet this growing demand on the part of national canners.

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CANADIANS SELLING HOGS BY CARCASS GRADE

Hogs are sold in France by the head, in Denmark according to carcass weight and grade, and in Great Britain by both methods. In Canada they are sold according to live weight and grade or according to carcass weight and grade.

These are the methods of selling hogs commonly used as outlined by Geoffrey Shepherd of the Agricultural Economics Department of Iowa State College, following a study of marketing methods in foreign countries. His findings have just been published in a new bulletin which is obtainable from the Bulletin Office, Iowa State College, Ames.

Since 1922 hogs in Canada have been sold by live weight and grade. The grading is done by a government grader. Beginning in 1934, a volun-

tary method of selling hogs by carcass grade was established. The first year farmers sold 3,577 hogs under this plan. The next year, 115,000 were sold, and last year, 441,162. The grading of the carcasses is done by a government-appointed grader. The number sold in 1936 by carcass grade was 13 percent of the total Dominion-inspected hog slaughter.

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MEETINGS TO BE HELD ON GRAIN STANDARDS

A series of conference meetings with the grain industry to consider several proposed amendments to the official grain standards of the United States, was announced this week by the Bureau of Agricultural Economics.

The Bureau explained that the grading of grain would be affected significantly by only two of the proposed amendments. proposal by the grain industry to amend the specifications for the special grade "Cereal Oats", and a proposal to establish a definite limitation on "shrunken and/or broken kernels" in the top grades for wheat. Other amendments to be considered are intended chiefly to round out, clarify and perfect in certain details the official grain standards now in effect.

Meetings will be held at Buffalo, February 19; Indianapolis, February 23; St. Louis, February 24; Kansas City, February 26; Omaha, February 27; Minneapolis, March 2; and Chicago, March 4.

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CONNECTICUT FINDS GARDEN SEEDS IMPROVED

Farm and garden seeds are showing a steady improvement in quality, according to the seventh annual Seed Inspection Report just issued by Connecticut Department of Agriculture; but special mixtures for lawns are revealed as oftentimes being of poor quality. From a total of 206 samples of unmixed seeds, 95 percent were equal to or above the claims for germination, and 96 percent were equal to or above the claims for purity. The special mixtures showed that out of 135 samples, only 32 percent were in accordance with the written claims on the package.

Copies of the report may be obtained from the Connecticut Department of Agriculture, Hartford, Conn.

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CALIFORNIA GETS CONVICTION UNDER ADJUSTMENT ACT

First conviction under the provisions of the California Agricultural Adjustment Act was reported this week, when a Los Angeles citrus shipper plead guilty to a charge of having sold citrus without first obtaining a prorate allotment as required by law. The defendant was fined \$100.

FARMERS' PRICES RISE ABOVE PRE-WAR PARITY

The sharp rise in prices received by farmers during the past two months set two records — it brought current prices to the highest level since June 1930, and raised prices received to a level slightly above prices paid, for the first time since November 1925, according to the Bureau of Agricultural Economics.

The index of farm prices was 131 as of January 15, compared with 126 on December 15, with 120 on November 15, and with 109 on January 15 a year earlier. The general index of prices paid by farmers for commodities bought stood at 128 in mid-January, the same as in December, and 6 points above a year earlier.

The ratio of prices received to prices paid was 102 on January 15.

NEW JERSEY FARMER FAVOR MILK CONTROL

Continuance of milk control in New Jersey has the approval of 95 percent of the producers in that State, according to Secretary Duryee of New Jersey Department of Agriculture.

"The results secured by our present system of milk control would seem to make it advisable," the Secretary said, "to continue the plan which has gained national recognition for New Jersey in this field. Federal supervision of interstate milk shipments would undoubtedly be helpful to the situation, but this should be attained by the establishment of a state milk control body with power to negotiate with the Federal government an agreement best adapted to our needs."

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PRODUCE DEALERS CONVICTED UNDER PERISHABLES ACT

Two produce dealers were convicted recently in Federal District Courts for doing business in interstate commerce without licenses under the Perishable Agricultural Commodities Act.

One was E. J. Panagakos of Chicago; the other, Carmine Salvatore or Orange, New Jersey. Both defendants had been notified many times by the Department of Agriculture that they were violating the licensing provisions of the Perishables Act. Neither defendant paid any attention to these notifications and the Department offered evidence of violations for presentation to Federal District Courts.

Panagakos failed to appear in court and was ordered in default to pay a penalty in the sum of \$8.450. Salvatore pleaded guilty and agreed to a compromise settlement by the payment of a penalty of \$200.

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INTENSE ACTIVITY on cotton textile mills and a large consumption of cotton in nearly of the important cotton consuming countries of the world during December and early January were reported by the Bureau of Agricultural Economics.

STATE AND FEDERAL

MARKETING ACTIV

AND OTHER ECONOMIC WORK U. S. Department of Agriculture

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BURGAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 10, 1937

Vol. 17, No. 6

CALIFORNIA REVISES MILK STABILIZATION LAW

The revamped Young Milk Stabilization Law which was recently signed by Governor Merriam of California includes new machinery for setting up marketing areas, permits better enforcement, and eliminates previous objectionable and controversial features, according to California Department of Agriculture officials who have analyzed the measure.

Under the law as extensively amended, authority to establish marketing areas and to administer milk marketing plans is placed in the hands of the Director of Agriculture. The power granted in the original act to local control boards for the purposes of levying assessments now resides with the legislature and the Director. Definite schedules are established by the new enactment, and definite standards are set up for the guidance of the State authorities.

The Young law as amended incorporates the fair trade provisions of the Thorp law, and contains clauses of the Produce Dealers Act, so that the new statute not only permits the setting up of marketing areas and the establishing of minimum prices to producers, but also the enforcement of the fair trade provisions applicable to the industry, as well as the investigation and hearing of complaints of producers who may have failed to receive payment in accordance with the terms of their contracts.

Distributors Assessed Sliding Fee

Under the new law, distributors are assessed a sliding license fee, ranging from \$3 to \$50. All distributors who purchase fluid cream or fluid milk from producers are bonded on a sliding scale, ranging from \$1,000 to \$5,000, according to the amount of dairy products handled. All distributors must be under license and bond by February 28. The law provides for suspension or revocation of license, and also action on bond, in cases where the distributor is not able to pay the producer in accordance with the terms of existing contracts.

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ECONOMISTS STRESS NEED FOR LOWER MARKETING COSTS

The need for improved marketing methods "to reduce the prices consumers must pay and thus make fresh farm produce available to more than half our population" was stressed this week by Dr. M. P. Rasmussen of Cornell University, addressing the Rutgers Institute of Rural Economics at New Brunswick, New Jersey.

L. A. Bevan, extension marketing economist of New Jersey Col-

lege of Agriculture, declared that some of the difficulties (in reducing costs) lie in the produce terminal markets. He urged inquiries into these markets with the objectives of increasing efficiency in handling products, saving time, and reducing the total amount of services involved in distributing produce.

Referring to the recent Philadelphia terminal markets survey by the Bureau of Agricultural Economics and cooperating New Jersey and Pennsylvania agencies, Mr. Bevan said that "if real progress is made in Philadelphia, it may be of value in indicating what might be done in New York City."

Dr. Rasmussen's solution of produce terminal complications and the high costs of handling fruits and vegetables in eastern cities is "an adequate central motor truck terminal in each city, regulated by municipal ordinances." Uniform State laws governing motor truck operations are badly needed, he said.

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FARM REAL ESTATE MARKET IS ACTIVE

Governor Myers of the Farm Credit Administration reported this week that more farms were purchased from the Federal land banks in 1936 than in any previous year of the banks' history. Exceeding 1935 figures by more than 50 percent, the 12 banks sold from their accumulated holdings more than 15,000 farm properties for a total of \$35,200,000 compared with 9,700 farm properties for \$28,00,000 in 1935.

About 75 percent of the farms sold by the land banks last year were bought by farm operators. Farm operators, during the past three years, have largely displaced non-farmers as heaviest purchasers of Federal land bank properties, Governor Myers said. An increase in purchases by young men and former renters was noted.

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FOOD MARKETING METHODS CHANGING

New developments in the marketing of fresh fruits and vegetables were recently described by F. G. Robb of the Bureau of Agricultural Economics, addressing the Canadian Fruit and Vegetable Jobbers' Association at Montreal, Canada.

Changes include the pre-cooling of fruits and vegetables prior to shipment, new ways to preserve products in transportation and shortage, new styles in packaging products, increased use of motor trucks, and the growth of truckers' exchange markets.

Robb reported an increasing consumer demand for frozen fresh fruits and vegetables. Discussing changing styles in packages, he said that the trend is toward smaller shipping containers and toward consumersize packages.

More than 30 percent of our fruits and vegetables are now moving to market in motor trucks, the speaker declared, adding that coastwise steamers also are transporting increasing quantities to large eastern markets, whence the products are redistributed over a wide area by motor trucks.

MASSACHUSETTS WOULD STABILIZE EGG PRICES

A four-point program designed to level out in part the seasonal fluctuations in egg prices is being recommended to Massachusetts poultrymen by Massachusetts State College.

Point 1: Distribute chick hatching over the fall, winter and spring months; force-feed layers during the summer; build summer laying houses, "barracks", and other economical equipment that permits holding layers for longer periods.

Point 2: Sell eggs direct to consumers, and "take advantage of the spread between wholesale and retail prices."

Point 3: Increase labor efficiency through better management. Point 4: Keep poultry account books as a check on all operations.

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ALL REGIONS GAIN IN FARM RECEIPTS

Cash receipts from the sale of principal farm products for the year 1936 were higher than in 1935 in all geographical regions of the country, it was reported this week by the Bureau of Agricultural Economics. All States except Montana, Arizona, Oklahoma and North Carolina showed larger farm receipts.

Largest increases - averaging 20 percent - over a year ago were in the North Central States. The gain in Minnesota was 30 percent, due especially to increased receipts from sales of corn, barley, flaxseed and hogs. Montana, where a large part of the total income is received from crops, and where crop production was greatly restricted by the drought last year, showed the largest decrease - 18 percent - in receipts.

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CALIFORNIA WARS ON CATTLE RUSTLERS

Modern cattle rustling is being made more difficult in California as State officials devise checks on the origin of all fresh meat offered for sale. Last year, 42 persons were arrested for violating the California cattle protection laws.

Enforcement officials say that gangs of cattle thieves operate fast motor trucks at night. The thieves cruise in the vicinity of bands of cattle or sheep, select their animal, slaughter the animal on the spot, dress the meat, and speed away to market outlets in a metropolitan center.

NEW JERSEY POLICE "TATTOOING" BEEHIVES

A beehive identification system has been put into operation in New Jersey. The State Police have assigned to each beekeeper a number and a county letter. These are "indelibly tattooed on every part of the hive" and registered with the Police for identification purposes.

OKLAHOMA FINDS THAT WOOL GRADING PAYS

A marked increase in the production of "staple wool" as compared with "below grade and burry wool" in Oklahoma, the last few years, is reported by A. W. Jacob, Extension Economist in Marketing, of Oklahoma Extension Service

Jacob says that Oklahoma producers began selling wool on grade extensively in 1931. Records for the earlier years are not available. but from 1933 through 1935 the proportion of staple wool increased from 40 percent of all wool grades to more than 60 percent. It is explained that under average conditions the staple fleeces are worth about 5 cents more per head of sheep than clothing wool, and 10 to 12 cents more than the rejects, which are fleeces or parts of fleeces containing dead wool or much foreign matter such as burrs.

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EGG PRODUCTION HEAVY: STORAGE STOCKS LARGE

Two important developments in the egg market have been the unusually heavy production of eggs, stimulated by mild weather, and the egg purchasing operations by the Agricultural Adjustment Administration.

In its current report on the situation, the Bureau of Agricultural Economics says that egg prices normally decline at this period of the year, but not so much as has been caused by the heavy output of eggs this winter. The Government purchase program is intended to "normalize" this decline in prices.

Poultry prices in the first half of 1937 and prospects for the last half of the year will be dominated by the storage situation, the Bureau said. Present record storage stocks, it is expected, will prevent poultry prices this spring from going as high as those of last spring.

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OFFICIAL STANDARD GRADES for Green River Tobacco (U.S. Type 36) have been issued by the Bureau of Agricultural Economics.

A "LIST OF BREEDING FLOCKS and Hatcheries Under Official Supervision in New Jersey" is obtainable from New Jersey Department of Agriculture, Trenton, N. J.

THE CORN AREA IN ARGENTINA was estimated by the Argentine Government this week at 16,309,000 acres, compared with 18,854,000 acres last season, and with the previous five-year average of 15,250,000 acres. Last season much corn was planted in wheat producing areas since weather conditions were unfavorable for wheat planting.

THE QUANTITY OF LAMB AND MUTTON graded by the Bureau of Agricultural Economics has increased greatly during the past two years - from 8,000,000 pounds in 1934 to nearly 18,000,000 pounds during the fiscal year ended June 30, 1936.

MARKETING ACTIVA



U. S. Department of Agriculture

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 17, 1937

Vol. 17, No. 7

BANK APPRAISERS WARNED

AGAINST FARM LAND BOOM

Governor W. I. Myers of the Farm Credit Administration warned the chief and reviewing appraisers of the Federal land banks in session at Washington this week of the possibility of a boom in farm real estate, if prices of farm commodities continue to advance or even to hold at current levels.

"Appraisers," he said, "should not be ultra-conservative in placing values on farms; neither should they follow the present trend upward beyond normal land values. During the distress period we lent courageously, using normal values, and now we must guard against getting off that basis."

Governor Myers told the appraisers that for the man heavily in debt and the tenant or other farmer just starting as an owner, the long-term amortized loan is well adapted and the safest available.

"Through a combination of land bank and Commissioner loans," he said, "the bank is able to lend up to 75 percent of the appraised value of a farm, and the terms of repayment are the most favorable ever granted.

The appraisers were urged to "try to correct the erroneous but well nigh universal impression that land bank loans are made from Government funds instead of investors' money." The land banks are simply the agency which makes it possible for farmers to reach the money markets through cooperative channels.

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MISSISSIPPI TO BOOST
SWEETPOTATO INDUSTRY

A program to increase the commercial production and marketing of sweetpotatoes was announced this week by Commissioner J. C. Holton of Mississippi Department of Agriculture.

A sweetpotato project is being sponsored in five areas of the State by the Extension Division of Mississippi State College and related agencies. Cooperating farmers will plant no less than two acres and at no shipping point will the total be less than 25 to 50 acres. Commissioner Holton said that out of this program may come community effort in a dozen or more counties, each shipping carlot quantities of Mississippi—grown sweetpotatoes.

The Commissioner cited figures showing that although Mississippi produces about 10 percent of the total United States crop of sweet-potatoes, the shipments to central markets are small.

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NEW YORK CONSUMER SERVICE BOOSTS SALES

Commissioner Ten Eyck of the New York Department of Agriculture gives credit in his annual report just released to the Consumer Information Service of that Department for having put "thousands of dollars into the pockets of New York State farmers."

The Consumer Information Service is waging weekly campaigns by means of press and radio publicity to "sell the consuming public on foods produced in New York State." A feature of the campaign is a combined information and recipe book which is issued weekly. The book aims to promote the use of New York State products rather than to teach the art of cooking.

The campaign is renewed each week with a different food product as the subject. During the past year nearly 40 different farm products were covered by the press and radio publicity.

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GOVERNMENT CHEMISTS FIND NEW USES FOR SWEETPOTATOES

Sweetpotato starch production looks promising as another Southern farm industry, the United States Department of Agriculture announced recently following two years' of research in this field on a commercial scale. It looks promising particularly, it was stated, in sections where large yields of sweetpotatoes can be produced at low cost.

Chemical research was conducted for two years on a commercial plant scale, and there was one year of commercial production at a trial plant at Laurel, Mississippi. Last year, 420,000 pounds of sweetpotato starch was produced. The chemists believe that a bushel of potatoes can be made to yield 11 to 12 pounds of starch and about 4 pounds of pctato pulp.

The new starch has been successfully used on a commercial basis in cotton mills, adhesive factories, and laundries. The cost of producing the starch has been reduced from 13 cents a pound in 1934 to 10 cents in 1935, and to 3 cents in 1936. Though the new industry is not intended to compete with cereal starch, the cost of production has been cut, it is stated, until the new starch can begin to compete in a small way with the 250,000,000 pounds of root starch which is imported each year.

The Department said that the Laurel plant paid 20 cents a bushel for field-run potatoes in 1936, and that on this basis the farmers who had yields of around 300 bushels per acre found it as profitable to grow sweetpotatoes as cotton.

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PENNSYLVANIA FINDS MUCH INTEREST IN GRADING PRODUCTS

Pennsylvania Department of Agriculture announced this week that the increasing interest in standardized grading practices among the farmers, truck gardeners and fruit growers of Pennsylvania is reflected in an unprecedented demand for a bulletin on "Official Grades for Fruits and Vegetables in Pennsylvania", recently issued by the Pennsylvania Department. The bulletin explains the standard grades and contains the

legal weights per bushel of farm crops and the State laws relating to the packing and marking of fruits and vegetables.

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NEW YORK WOULD REDUCE MILK DISTRIBUTION COSTS

Three ways to reduce the cost of milk to consumers were cutlined recently by C. J. Blanford of New York College of Agriculture, who said that studies have shown that the cost of selling and delivering milk in New York City is more than half the total cost of getting milk from the farm to the consumer's doorstep.

Blanford recommended the discontinuance of door-step delivery in areas of New York City where stores already handle a large proportion of the milk. He recommended, also, a system of discounts for quantity purchases. A third way to reduce costs, he said, would be the use of large delivery trucks in some areas, each truck in the charge of a driver-salesman who would have from one to three helpers, at lower wages, to do the running.

A factor which limits the quantity of milk that can be delivered on a retail route, he said, is the number of flights of stairs the driver must climb. In some sections of New York City the apartment houses are equipped with elevators; but in others, "walk-up" apartments are the rule It is estimated that many drivers climb more than 200 flights of stairs each day.

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SETTLEMENT OF STRIKE RELEASES ARGENTINE CORN

California Department of Agriculture announced this week that the settlement of labor disputes on the Pacific Coast has released several thousand tons of Argentine corn which have been held in elevator and boat storage for some time.

Some of this corn is of good quality and in good condition, but some has been damaged so that it is not suitable for use in feeding poultry and livestock, the Department warned prospective buyers. The California Agricultural Code makes it a misdemeanor to use in a feeding stuff any substance which is injurious to the health of livestock or poultry.

Feed mixers and consumers are advised by the California Department to insist on sellers of Argentine corn furnishing a certificate indicating that the corn is at least No. 3 corn or better. Inspection service is available at both San Francisco and Los Angeles where the corn is being discharged.

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IOWA SMALL FRUITS DAMAGED BY DROUGHT

Iowa Extension Service announced this week that more damage has been done to Iowa small fruits in the last four or five years than during the preceding 45 years. Last year's drought, following a winter that smashed all records for extended cold, was one of the main causes of this situation. There are probably fewer strawberry plants in Iowa than at any time in the past thirty years, it was stated.

BUREAU STUDIES THE CONSUMER'S FOOD DOLLAR

How the margin between farm and retail prices of food has changed during the last 23 years is revealed in a leaflet issued this week by the Bureau of Agricultural Economics, entitled "The Farmer's Share of the Consumer's Food Dollar".

In 1935, farmers received \$138 of the retail price of 58 foods purchased in a year by the average workingman's family, compared with \$92 in 1933, and with \$171 in 1930. The margin between farm and retail prices was \$193 in 1935, it was \$172 in 1933, and \$220 in 1930.

The Bureau says that in general, year-to-year changes in the margin between prices at the farms and in the city retail stores are due to changes in wage rates and in other cost items, in profits of processors and dealers, in the efficiency of the marketing system, and in the degree of processing and other services.

It is stated that there was probably some increase in efficiency of the marketing system during the years covered by the study, but that so far as prices are concerned, savings made by increased marketing efficiency were about offset by the increasing amount of processing and services between farmers and consumers.

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DR. BLACK DESCRIBES GOVERNMENT COTTON RESEARCH

Dr. A. G. Black, Chief of the Bureau of Agricultural Economics addressed the East Texas Chamber of Commerce at Dallas, Texas, this week, on the subject of "Cotton Research and New Industrial Uses". He described activities of the Bureaus of Agricultural Economics and Plant Industry in this field, and some achievements to date, such as the development of new types of bagging and industrial fabrics of various sorts.

He said that the potentialities of future substitution of cotton for other materials in the packaging field "are tremendous". The quantity of jute alone used in 1935, he said, amounted to more than 700,000,—000 pounds, or pound for pound, the equivalent of about 1,500,000 bales of cotton.

A mimeographed copy of Dr. Black's paper may be obtained from the Bureau of Agricultural Economics, Washington, D. C. In summary, Dr. Black said that "cotton research is being carried on along a very broad front*** cotton research should be extended, not reduced***the coordination and integration of research should be emphasized ***cotton research should be supported by all the people and not by producers alone."

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DATES for the issuance of cotton grade and staple reports covering the 1937-38 crop were announced this week by the Bureau of Agricultural Economics. They are October 22, 1937; November 22, 1937; December 22, 1937; and April 12, 1938. No date has been set as yet for the Bureau's report on grade and staple of the cotton carry-over on August 1, 1937.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 24, 1937

Vol. 17, No. 8

BUREAU SEES FAVORABLE DEMAND FOR FARM PRODUCTS

A "generally favorable" domestic demand situation for farm products during 1937 was reported this week by the Bureau of Agricultural Economics.

Stronger world wheat prices were forecast after southern hemisphere marketings taper off, and a seasonal advance in hog prices during the next two months. Cattle prices this year are expected to average higher than in 1936, and a further advance in prices of slaughter lambs until April, was forecast.

A tendency to curtail dairy production was noted by the Bureau in view of low butterfat prices relative to prices of feeds and meat animals. Butter production is expected to show a smaller than average increase during the remainder of the feeding period, and prices to register a relatively small seasonal decline.

A strong consumer demand is expected this spring to keep prices of eggs somewhat higher than prices last spring. Prices of potatoes are expected to continue upward, it was stated, until mid-April when large supplies of new potatoes usually move from the southern States.

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NEW YORK BUILDING NEW REGIONAL MARKETS

Two new regional markets are under construction in New York State under authority of the New York State Legislature—one at Syracuse to serve farmers and consumers in the central New York district, and the other market at Newburg for the lower Hudson area.

The markets are part of a program intended "to reduce food handling costs, and to put New York producers in a favorable position to compete with growers from distant points." Markets already are in operation at Buffalo and Menands. In addition, a local market is being constructed at Poughkeepsie.

The market at Buffalo, in operation since 1931, is said by Harry E. Crouch of New York Department of Agriculture to be "probably the most complete food handling terminal in the country." The Menands terminal market is operated by an organization of 660 growers.

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LOUISIANA EXTENSION SERVICE reported this week that shipments of strawberries from the Louisiana berry belt will be but little affected by the February 11 freeze which killed practically all the blooms and approximately 85 percent of the fruit on the plants.

NORTHEASTERN MARKETING PROGRAM IS ORGANIZED

A joint production and marketing program has been organized by the Northeastern Poultry Producers Council and the Northeastern States Association of Egg and Poultry Distributors. More than 30,000 poultrymen through 32 egg and poultry marketing associations are cooperating. The program is intended to "encourage consumption of all kinds of poultry meats which are low-priced on account of heavy storage holdings."

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A downward revision of charges for services, yardage, feed and bedding at the Denver Union Stockyards was ordered this week by the United States Department of Agriculture, the reduction to go into effect on March 19. The revision, it is estimated, will save shippers \$50,000 a year.

The new rates are the culmination of an inquiry begun in 1934 under the Packers and Stockyards Act. The Department held that the value of railroad terminal facilities was not properly a part of the rate base for establishing stockyard rates and charges; also, that loading and unloading livestock from railroad cars is a transportation service and should not be paid for again as a stockyard expense.

The new rates are considered by the Department to be sufficient not only for efficient operation of the yards and to cover all expenses, repairs, depreciation and increases in pay rolls, but also to allow approximately $6\frac{1}{2}$ percent return on the fair value of the property used in rendering stockyard service.

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NEW YORK STUDIES CONSUMER'S MILK DOLLAR

The New York milk producer's share of the consumer's milk dollar in 1936 was the largest in fifteen years, according to Commissioner Ten Eyck of the New York Department of Agriculture.

The Commissioner reported that from June 11, 1934, until August 16, 1936, the milk producer received 44.2 cents at milk control prices out of every dollar paid by consumers for milk delivered to their homes. From August 16 to September 25, 1936, the producer's share went up to 47.46 cents — the highest point reached in records dating back to 1922. The figures are computed on the official minimum prices to producers for fluid milk containing 3.5 percent butterfat, and the retail price per quart for grade B milk in New York City.

The low point was reached when the producer received only 27.23 cents of the consumer's dollar from December 5, 1932, to January 23, 1933, at prevailing minimum prices. He received less than 3 cents a quart for his milk which was sold retail in New York City at 10 cents a quart, the Commissioner said.

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"REVISED ESTIMATES of Monthly Receipts from the Sale of Principal Farm Products and Government Payments by States, January 1934-December 1936", a mimeographed report, is obtainable from the Bureau of Agriculcultural Economics.

ALFALFA SEED COMMITTEE FORMULATES PROGRAM

A greater than normal demand for alfalfa seed this year was fore-cast recently by an Inter-Bureau committee appointed in the Department of Agriculture by Secretary Wallace to analyze the situation and to recommend a program of action by farmers, shippers and seed dealers.

The prospective increase is attributed by the committee to drought damage to the 1936 seedings and to the agricultural conservation program which is encouraging more extensive use of soil-conserving crops.

The committee urges farmers to sow for seed production only adapted alfalfa seed of known origin; shippers to obtain from all seed growers proper assurances and satisfactory documentary evidence that the seed was grown from adapted seed; and dealers to have all adapted alfalfa seed from the 1936 crop approved or verified as to origin.

Agricultural extension services have been asked, as a part of the program, to publicize the present alfalaf seed situation, and to emphasize the importance of increasing supplies of seed adapted for sowing in the Northern States.

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FARM MORTGAGE RATES LOWEST IN MANY YEARS

Interest rates on farm mortgage credit are the lowest in many years, according to E. H. Thomson, President of the Federal Land Bank of Springfield.

Discussing credit needs of Northeastern farmers, Mr. Thomson said that "most farms are placed under mortgage at least once every generation to help a new owner to get started. Few young men are able to pay cash in full for a home and a business, and many who inherit properties find it necessary to mortgage them for a few years to pay off other heirs."

The Bank's farm mortgage loans now number 28,500 on properties in New England, New York and New Jersey. All matured installments have been paid on more than 90 percent of these loans, said Mr. Thomson, pointing out that "better prices for farm products, and lower interest rates have reduced the burden of farm debts to the point where less than 5 percent of the gross farm income is used to pay mortgage interest whereas it took 10 percent in 1932."

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CALIFORNIA HOLDING FROZEN ORANGES OFF THE MARKETS

Fifty thousand boxes of oranges, damaged by frost beyond the tolerance permitted by California fruit standardization laws have been withheld from market by California Department of Agriculture. About 10,000 boxes of damaged grapefruit also are being retained at southern California shipping points, it was announced this week.

Department officials explained that market distribution of even a few cars of frost damaged fruit would react unfavorably on the California citrus industry.

CONSUMERS BENEFIT FROM FRESH EGG LAW

By Burton K. Harris, Director, Rhode Island Department of Agriculture and Conservation. (Excerpts from Weekly Bulletin.)

On July 1, 1936, Rhode Island put into force a so-called fresh egg law. This step brought Rhode Island into line with other states on the Eastern seaboard, such as New York, New Jersey, Massachusetts, and Connecticut, where egg laws, more or less uniform have passed through the experimental stage and are now proving their practical value.

Our Rhode Island law requires first, that only eggs which are actually fresh may be sold as fresh eggs; second, that all eggs, fresh or not fresh, must be sold by weight or size. The standard weights for graded eggs, according to this law are: large size, 24 ounce to the dozen; medium size, 21 ounce per dozen; pullet size, at the rate of 19 ounces per dozen.

Although this law has been in effect a little over six months, practically all of the wholesalers and a large majority of the retailers are living up to the letter and spirit of the law. Previous to the establishment of this law eggs, variously advertised as "Hennery", "Western", "Selected", sold at five to ten cents below the prevaling price for fresh eggs. These eggs were often not fresh, and sometimes contained from two to four bad eggs per dozen. Today, consumers can buy in confidence that all eggs, loose or in cartons, advertised as "fresh eggs", are fresh.

During the past six months, inspectors from the Bureau of Markets have been calling on those merchants most affected by the new egg law; wholesalers and packers have been visited and advised as to the legal requirements for the sale and handling of eggs. Much effort has been put into the supervising of retail sales of eggs.

(The Rhode Island Bureau of Markets recently issued a book entitled "Rhode Island Egg Quality Program". It contains information relative to grades for eggs, of interest to producers, distributors, and consumers. Copies are obtainable from the Bureau of Markets, 310 State Housi, Providence, R.I.)

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MIMEOGRAPHED REPORTS and addresses obtainable from the Bureau of Agricultural Economics include "Rates for Ginning and Wrapping American Cotton, Seasons 1928-29 to 1935-36"; "Statistical Report of the Decidious Fruit Export Season, 1935-36"; "The Distribution of American Raw Cotton, Season 1932-33"; "Marketing Texas Tomatoes, 1936 Season"; "Practical Problems in Crop Estimating, by Joseph A. Becker, Chairman, Crop Reporting Board; "Trade Agreements and the Farmer", by D. F. Christy; "Some Observations on Land-Value Trends", by B. R. Stauber; "Marketing Texas Vegetables, 1935-36 Season"; and "Cotton Prices in Relation to Cotton Classification Service and to Quality Improvements."

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

☆ MAR 1 9 1937 ☆

U. S. Department of Agriculture

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 3, 1937

Vol. 17, No. 9

CONNECTICUT URGES FREE FLOW PERISHABLES INTERSTATE

A free flow of farm products between States, is urged by Deputy Commissioner Sidney A. Edwards in the biennial report of the Connecticut Commissioner of Agriculture, just issued.

"Legislation primarily intended to discriminate against outof-State products is unsound, not permanent, and results in retaliatory legislation on the part of the affected State," he says.

"Connecticut farmers," Edwards continues, "are rapidly coming to the conclusion that their ultimate success is far more dependent upon high purchasing power on the part of the Connecticut consumer, strict adherence to the program of quality production, satisfactory marketing facilities, cooperative organization, adoption of sound advertising programs and legislation to prevent misrepresentation of quality or grade than upon some artificial palliative which would bar out-of-State products from Connecticut markets.

"They are already looking to other States," he says, "for the disposal of more and more of their own products during the height of production. While Connecticut is a heavy importing State during the winter and early spring, we are likewise an increasingly heavy exporting State during the summer and fall months. It is quite evident that this changing condition is having a rather significant effect in our point of view regarding restrictive legislation."

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ILLINOIS ADVOCATES FEWER LIVESTOCK SELLING POINTS

Only through coordinated selling as opposed to scattered selling can Illinois livestock producers actively support livestock price levels, according to R. C. Ashby, associate chief of livestock marketing, Illinois College of Agriculture.

Auctions, he declared, have greatly increased the number of selling points, there being some 200 auctions or community sales in Illinois, although a portion of these appears important on the basis of volume of livestock handled.

For more than a decade, he said, producers have decentralized selling, while livestock buying has been centralizing, with the result that the bargaining position of producers in the sale of slaughter livestock is now materially weakened.

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A TECHNICAL BULLETIN, "Methods for the Measurement of Certain Character Properties of Raw Cotton", has just been issued by the Bureau of Agricultural Economics.

MISSISSIPPI SEES FUTURE FOR SOUTHERN "CHEMURGY"

"Multiplied millions of dollars will be invested in the South through the development of processes for the manufacture of paper from pine pulp wood", it was stated recently by Commissioner Holton of the Mississippi Department of Agriculture, in connection with the Farm Chemurgic Conference to be held at Jackson, Mississippi, April 12 and 13.

Outstanding examples of chemurgic successes in Mississippi, he said, include "the famous Masonite plant; the sweetpotato starch factory, the only one of its kind in the world, at Laurel; and pulp wood plants at Greenville and Pascagoula.

More than 50,000 acres of tung trees have been planted in Mississippi, he said, for the production of tung oil for use in the paint and varnish industries.

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MILK COMPANY PRESIDENT REVEALS OPERATING COSTS

"The average price we receive for all milk we purchase is 8.8 cents a quart," declared Vice-President Wellwood of Sheffield Farms Company in a paper read during Farm and Home Week at the New York State College of Agriculture.

"The retail price is 13 cents a quart," he said, "but the average price includes sales of milk at lower prices. Wholesale to stores, hotels, restaurants, and hospitals, and the sale of manufactured products which compete in the nation's markets return to us prices much below the fluid price.

"The cost of our milk, that is the amount paid dairymen, is 4.2 cents a quart. This leaves a spread to pay the expense of running our business of 4.6 cents a quart. The largest item under expenses is for wages, or 2.348 cents a quart. Operations, which include freight, supplies, depreciation, repairs, refrigeration, bottles, and similar items, account for 1.77 cents a quart.

"Taxes, advertising, and insurance account for .3 of a cent a quart, executive salaries amount to .2 of 1 mill a quart, and profit amounts to 1 mill a quart, or 1.41 percent of the sales dollar."

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BUREAU SEES WORLD WHEAT DEMAND INCREASING

With increased world demand for wheat this year and a greatly reduced world supply, the market has been strong enough to withstand much of the price-depressing effect of early season shipments from the Southern Hemisphere, the Bureau of Agricultural Economics said in its February report on the wheat situation.

Wheat prices in world markets are expected, it was stated, to fluctuate near current levels until Southern Hemisphere shipments taper off; and then to strengthen. Domestic prices are expected to continue above world prices, until late April; thereafter prices will be influenced by winter wheat crop prospects, and by seedings and moisture in the spring wheat area. Wheat stocks in the United States, as of July 1, 1937, were forecast at about 100,000,000 bushels, compared with 136,000,000 bushels on that date last year.

IOWA FINDS CASH INCOME LOWER BUT FINANCES BETTER

Iowa State College reported this week that although 110 farmers in the Cedar Valley Farm Business Association of central eastern Iowa had a lower net cash income last year than in 1935, these farmers "are in better financial condition because a larger amount of their income went into equipment and improvements."

The net cash income of this group of farmers averaged \$1,084 compared with \$1,834 in 1935. Net farm income was \$3,760, or \$256 more than for the previous year. Net income ranged from \$7,428 in 1936 as an average for the 25 high profit farms to a loss of \$522 for the 25 "low profit" farms.

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NEW JERSEY MILX BOARD LAUNCHES CONSUMER SERVICE

A publicity campaign designed to interpret its work, especially as affecting consumers, has been launched by the New Jersey Milk Control Board. Series of authoritative articles for newspaper publication will "tell the story of milk in its various ramifications, the importance of milk, its place in the diet, and the manner in which the people's representative on the Milk Control Board protects the consumer's interests."

The first group of articles, just issued, deals with prices, market stability, price fixing, quality of product, grades, and the scope of the milk industry in New Jersey.

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CHINA PLANS RESTORATION OF "EVER NORMAL GRANARY"

Plans for a network of granaries throughout China with an aggregate storage capacity of 400,000,000 bushels of grain were recently announced in formative stage by the Chinese Ministry of Industries. Establishment of such granaries would mark the restoration of the "ever normal granary" arrangement practiced by the Chinese many centuries a co. The objective is said to be to store grain for use during years of crop shortages resulting from droughts and floods. Some of the Provincial governments have already established granary systems to assist in regulating the marketing of cereal crops.

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NEW YORK PROGRESSING IN ADJUSTING FARM DEBTS

Twelve months of farm debt adjustment in New York State have resulted in the closing of 613 cases out of 757 handled, attendants at Farm and Home Week at New York College of Agriculture were told recently by D. V. Rivenburgh, Regional Chief, Farm Debt Adjustment Section, Resettlement Administration.

Original debts of the 613 farmers were reduced after adjustment from \$3,354,356 to \$2,680,302, he said. During the same period, delinquent taxes of \$24,385 were paid to local communities.

AGRICULTURAL PROGRAM HAS DROUGHT PROVISIONS

Increased protection against possible recurrence of drought this year is to be afforded farmers and consumers by operation of the 1937 Agricultural Conservation Program, it was recently announced by H. R. Tolley, Administrator of the Agricultural Adjustment Administration.

Mr. Tollev said that the farmers and the AAA have tried to take advantage of experience in recent years with the two extremes of drought and surplus and have sought to shape up the 1937 program so it will be effective whatever turn the weather may take.

The program was said to have important drought protection because of the encouragement it gives to planting grass and legume crops. In time of bumper crops, the program, Tolley said, tends to hold down to some extent the size of grain surpluses. Hence the AAA program "encourages diversified farming instead of one-crop farming."

(Copies of Mr. Tollev's statement, in which the features of the program are set forth by regions, may be obtained from the Agricultural Adjustment Administration, Washington, D. C.)

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FARM PRICE INDEX DROPS FOUR POINTS IN MONTH

A 4-point decline in the farm price index during the month ended February 15 was reported this week by the Bureau of Agricultural Economics. The index was 127 on February 15, compared with 131 on February 15, and with 109 on February 15, 1936. But despite the February decline, the index on February 15 was the highest for that month in seven years.

The reduction during the month was attributed to substantial declines in prices of hogs, calves, eggs, milk, flax, and tobacco. Prices of fruit and truck crops rose sharply during the period.

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LOUISIANA COTTON HIGH IN AVERAGE GRADE

For the seven-year period, 1928-34, cotton produced in Louisiana averaged higher in grade than that produced in the Cotton Belt as a whole. according to a statement in "Grade and Staple Length of Cotton Produced in Louisiana, 1928-34", a publication recently released by the Bureau of Agricultural Economics.

It was reported that "an average of about 77 percent of the cotton produced in Louisiana during the seven-year period was extra white and white in color and middling and better in grade, whereas only about 69 percent of the cotton produced in the entire United States during the same period was so classed. Less than 7 percent of cotton produced in Louisiana was of the spotted and colored grades, while in the country at large 14 percent was of these grades.

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MIMEOGRAPHED REPORTS obtainable from the Bureau of Agricultural Economics include "Incidence of the Processing Taxes Under the Agricultural Adjustment Act - a Bibliography", "Recent Agricultural Credit Developments Relating to Commercial Banks", and "Revised Estimates of Sweetpotato Acreage, Yield Per Acre, and Production, 1918-1923."

U. S. Department of Agriculture

AND OTHER ECONOMIC WORK

MARKETING ACTI

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 10, 1937

Vol. 17, No. 10

MISSISSIPPI PRODUCTS 80 PERCENT INSPECTED

A marked increase during the past nine years in Federal inspection of Mississippi carlot shipments of fruits and vegetables was reported this week by Commissioner Holton of Mississippi Department of Agriculture and Commerce. Whereas only carrots and tomatoes were inspected for grade in 1928, inspectors now cover 12 different products, principally tomatoes and cabbage. Nine years ago only 5 percent of shipments of 18 commodities were inspected; in 1936, 80 percent of the shipments of these products were inspected.

The Department issued this week a compilation of laws, rules and regulations, grades and standards pertaining to fruits and vegetables. (Copies are obtainable from Commissioner J. C. Holton, Jackson, Miss.) It cites the authority for the establishment of grades and standards and inspection of farm products, and cites in detail the Mississippi Tomato Law which was enacted in 1934 "to suppress unfair and fraudulent practices in the marketing of tomatoes grown, packed or offered for sale in the State of Mississippi and to provide penalties for the violation of the provisions of this act."

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FEDERAL LAND BANKS SELLING MORE FARMS

The Federal land banks sold more farms in the past six months than were taken over by the banks, and thus reduced farm real estate holdings for the first time since the beginning of the depression, according to Governmor W. I. Myers of the Farm Credit Administration.

Farm sales by the Federal land banks in 1936 numbered 15,014. Three out of every four farms were bought by local farmers. The number of farms owned outright by the Federal land banks reached a peak of 24,355 on August 31, 1936, but declined to 22,505 as of February 1, 1937.

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BUNCHED VEGETABLES BUSINESS INCREASED

Carload shipments of bunched vegetables have greatly increased during the past twenty years, according to William E. Lewis in a farmers bulletin, "Preparation of Bunched Beets, Carrots, and Turnips for Market," recently issued in revised form by the Bureau of Agricultural Economics.

Improved methods of handling and better grading practices, to-

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gether with modern methods of refrigeration and rapid transportation. have greatly increased the consumption of fresh beets, carrots, and turnips, it is stated. Root vegetables that have been stored, consequently are relatively less important than they once were.

The bulletin deals principally with the handling practices in California. Texas and Louisiana, where the bulk of winter and early spring shipments of bunched beets, carrots and turnips originate.

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CONNECTICUT MARKET NEWS SERVICE EXPANDS

Deputy Commissioner Sidney A. Edwards of Connecticut Department of Agriculture reports that "while our grading, standardization and regulatory work has taken rapid strides during the past few years, the 'Connecticut Market Bulletin' and accompanying market news service is still the greatest single project within the Bureau of Markets from the standpoint of personnel involved and persons regularly served.

"The collection of prices, preparation of copy, printing and mailing of the Bulletin occupies the attention of six full time and one part-time employe. The Bulletin is mailed free to any farmer, retailer or food distributor within the State, who makes application in writing on a special form provided. Thousands of Connecticut farmers use this service as their 'basis of trading'. The content of the Bulletin is published in five leading papers in Connecticut, and is broadcast over five radio stations in Connecticut and two stations in Massachusetts."

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LOUISIANA STRAWBERRY SHIPMENTS TO INCREASE

More than 3,000 carloads of strawberries, it is expected, will be marketed from Louisiana this season, according to B. B. Jones of Louisiana Extension Service. Shipments in 1936 totaled 2,857 cars, and in 1935 the State shipped only 1,826 cars. Higher prices also are forecast for this year.

Discussing the livestock situation in Louisiana, Mr. Jones says it is estimated that an additional 650,000 hogs are needed in Louisiana to produce the pork products now being consumed and being shipped into the State because of the lack of local supplies. "Every farm in Louisiana," he says, "should have a few hogs to provide the home meat supply." -000-

CALIFORNIA REPORTS MORE FAVORABLE PRODUCE PROSPECTS

Following a siege of low temperatures which destroyed a large part of the citrus crops in California, the California Department of Agriculture now reports that weather conditions more recently have been good for California vegetables. But growers are reported behind schedule, planting has lagged, and fields are said to be in poor cultivation. Maturing crops are retarded, but new crops will soon be added to the marketable supply.

NEW YORK COMMISSIONER WANTS PERMANENT MILK LAW

Enactment of a permanent milk control law was urged upon the New York Legislature last week by Commissioner Ten Eyck of New York Department of Agriculture. Among other things, the Commissioner urged strengthening of requirements of the statute dealing with the licensing and bonding of milk dealers, greater cooperation between producers and dealers, and "some means of placing the regulation of interstate shipments of milk upon the same basis as regulation of intrastate shipments into the New York-New Jersey marketing area."

The Commissioner said that the income of milk producers was 52 percent more in 1936 than in 1932, and that producers are now receiving the largest share of the consumer's dollar since 1922.

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FARM TAXATION TRENDS SHOWN IN GRAPHIC FORM

The relationship of farm taxes to farm real estate values, gross farm income and farmers' net returns during various periods from 1913 to 1934 is graphically presented in a summary of farm taxation just released by the Bureau of Agricultural Economics.

From 1913 to 1920, the Bureau reports that farm real estate taxes rose 109 percent - more than in any previous period - and then continued to rise slowly until 1929. The value of farm real estate, on the other hand continuously declined after the war.

From 1929 to 1932, taxes per acre decreased but farm land values decreased at a more rapid rate and gross farm income even more rapidly. From 1932 to 1934, taxes continued to decline as farm income and real estate values started upward.

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ARGENTINE COTTON CROP HIT BY DROUGHT AND INSECTS

A cotton crop of only 260,000 bales from a record planting of 1,015,000 acres was forecast for this year by the Argentine Cotton Board, according to a cable to the Bureau of Agricultural Economics from its office in Buenos Aires.

Last season, 763,000 acres were planted, and the crop totaled 373,000 bales. Had estimated yields this year equalled the average obtained last season, the crop this year would be about 500,000 bales.

Drought and insect pests were reported responsible for the reduction in the current season's crop.

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INCREASED CONSUMPTION FATS AND OILS FORECAST

A further increase in consumption of fats and oils in 1937 was forecast this week by the Bureau of Agricultural Economics in its initial issue of the monthly Fats and Oils Situation report. The general outlook appears, it was stated, to be moderately favorable to producers of fats and oils and to growers of oilseeds. Consumption of fats and oils in the United States has been increasing since 1932.

CALIFORNIA STUDIES CONSUMER COOPERATIVES

A marked expansion in recent years in the consumer cooperative movement in California is revealed in a survey made by the Bureau of Public Administration of the University of California.

The first consumer cooperative store was established in San Francisco in 1867. Growth of the movement was spasmodic thereafter until the first store of the California Rochdale Society was organized at Dos Palos in 1896. Consumer units multiplied between 1900 and 1905, and in the latter year there were 51 Rochdale type stores in California. Then the movement lagged, and went out of existence in 1910, when the California Rochdale Company failed in an attempt to reorganize.

In 1913 the Pacific Cooperative League was formed and by 1921 it was operating 47 retail cooperatives in California, New Mexico, Nevada and Arizona, with a combined retail business of \$4,000,000 a year. But this institution failed, and the League's permit was revoked by the State Corporation Department.

Early in 1934 there were but four strictly consumer cooperative stores in California, two in Madera, one in Fort Bragg, and one in Los Angeles. But late in that year there was a revival of interest, and by late 1935 there were 210 such establishments in California, with a total membership of 50,000 persons.

The Bureau reports that since 1935 a cooperative wholesale establishment has been started in Hayward, and that the consumer cooperative movement has been given new impetus otherwise.

(The study was prepared by Kathleen W. Hau, research assistant in the Bureau of Public Administration).

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SECRETARY WALLACE NAMES POULTRY COMMITTEE

A Department of Agriculture Poultry Committee was recently named by Secretary Wallace to coordinate poultry work in the department and to provide a centralized source of information regarding poultry. Dr. J. R. Mohler, Chief of the Bureau of Animal Industry, is chairman of the committee which includes also a representative of each bureau having active interest in any phase of poultry production or marketing. The representative of the Bureau of Agricultural Economics is Rob R. Slocum.

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RAPID GROWTH OF TOMATO JUICE INDUSTRY REPORTED

Seven years ago, the production of tomato juice was negligible; but in 1936 production totaled 9,000,000 cases of two dozen, number 2 cans, according to Dr. F. A. Harper of the New York State College of Agriculture. The average rate of increase has been more than 1,000,000 cases a year.

Production of canned orange juice, grapefruit juice, and pine-apple juice also has been increasing, but Dr. Harper says that in 1936 the combined production of these juices was less than that of tomato juice alone.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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March 17, 1937

Vol. 17, No. 11

Department of Lightculture

ILLINOIS COOPERATIVES DISCUSS MARKETING PROBLEMS

Two groups of papers of interest to agricultural economists and marketing specialists have been issued by Illinois College of Agriculture, one dealing with dairy marketing problems, and the other with experiences in Illinois cooperation. The papers were delivered by leaders in their respective fields at the Farm and Home Week held at Urbana in January.

The pamphlet on dairy marketing problems contains a paper by R. W. Bartlett of the University of Illinois on the importance of high quality milk to consumers, distributors, and producers, and papers on management problems resulting from quality improvement programs, by various marketing association representatives from different parts of the State.

The pamphlet on experiences in Illinois cooperation contains papers on dairy marketing, cooperative purchase of supplies, grain marketing, and livestock marketing. Copies of the pamphlets are obtainable from the Department of Agricultural Economics, University of Illinois College of Agriculture, Urbana, Illinois.

NEW YORK "ELECTRIC EYE" GRADES SYRUP

The electric eye, or photo-electric cell, is being used by the New York Department of Agriculture to obtain maximum color accuracy in the preparation of maple syrup grading sets which are sold to New York State farmers at 50 cents the set. A set consists of four bottles in a wooden framework, three of which contain liquids of varying shades corresponding to maple syrup colors. The fourth is an empty bottle to be filled with a sample of syrup to be graded by color comparison with the other three. The three grades are "Fancy", "No. 1", and "No. 2."

The 1936 maple crop in New York State was valued at more than \$1,000,000. Approximately 3,178,000 trees tapped last season are said to have yielded about 31 percent of the entire maple output of the United States.

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A SERIES OF SPRING OUTLOOK REPORTS on wheat, feed grains, cattle, hogs, sheep and lambs, tobacco, fruits, vegetables, flax and rice will be issued next week - March 23 through March 25 - by the Bureau of Agricultural Economics.

COTTON CLASSING SERVICE WOULD BENEFIT GROWERS

Requirements of a cotton classing service to farmers as a basis for paying individual growers according to the quality of their product are outlined by the Bureau of Agricultural Economics in a report of a recent study of cotton prices.

The report suggests that a cotton classification service for growers would increase the premiums for the higher grades and longer staples, in local markets. To be of maximum usefulness to growers, the Bureau says that provisions would have to be made for obtaining samples that are truly representative of the quality of cotton in each bale, and for correctly identifying the sample with the bale from which it was drawn.

In addition, the Bureau points out that farmers need more adequate information on cotton prices in central markets and in near-by points of concentration, including prices for Middling 7/8-inch cotton and premiums and discounts for the various other grades and staple lengths. Copies of the report "Cotton Prices in Relation to Cotton Classification Service and to Quality Improvement" are obtainable from the Bureau, Washington, D. C.

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PENNSYLVANIA CANNERY INDUSTRY EXPANDING

Expansion of the commercial canning industry in Pennsylvania is forecast for this year by Secretary French of Pennsylvania Department of Agriculture on the basis of a survey recently completed. Last year the pack of Pennsylvania canned foods was reported the largest on record. While increased production of all canned products is forecast, Secretary French says that the tomato acreage for canning will increase faster than any other crop, on account of the growing demand for Pennsylvania tomato juice.

The increasing demand from canneries for Pennsylvania fruits and vegetables is attributed to the better quality of products resulting from grading and inspecting services under State supervision. The canneries have been paying premium prices for the graded and inspected products, it is said.

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FARM CREDIT COSTS LOWEST ON RECORD

Farmers are beginning their spring planting with easier access to credit for production purposes than has been possible since the depression began and at a rate lower than at any other time on record, said Governor W. I. Myers of the Farm Credit Administration this week.

Ten years ago, he said, the average cost of short-term cash credit to farmers varied from 8 to nearly 12 percent. In some areas so-called store credit ran as high as 35 percent.

Now, while the cost of other commodities necessary to make a crop is increasing, 550 cooperative production credit associations the country over are making loans to livestock men and general farmers at the 5 percent interest rate.

ILLINOIS EGG PRODUCTION COSTS INCREASED LAST YEAR

The cost of producing eggs on 63 Illinois farms last year averaged 20 cents for a dozen eggs, compared with 17 cents in 1935, and with 15 cents in 1934, according to a study just completed by the Illinois College of Agriculture. Poultry profits averaged \$234.85 a farm, compared with \$378.92 in 1935, and \$132.92 in 1934.

The average bird of laying age ate \$1.60 worth of feed last year, which made up 55.5 percent of the total net cost of producing eggs. The healthiest flocks produced eggs at 11 cents a dozen less than flocks with highest mortality. The College concluded that "almost without exception, high cost of egg production accompanies low egg production."

The high-egg producing hens were fed 95 pounds of feed apiece, whereas hens in the low-egg group were fed 70 pounds; but the high-egg group averaged only 6.9 pounds of feed a dozen eggs, compared with 9.6 pounds of feed a dozen eggs produced by flocks averaging less than 100 eggs a hen.

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NEW VENTILATED PEACH BASKET IS DESIGNED

A ventilated basket which makes possible refrigerated shipments of more mature peaches has been designed as the result of experiments made by E. D. Mallison, fruit marketing specialist, Bureau of Plant Industry.

The basket is slatted or spaced for ventilation. The crown-shaped lid, also of open construction, allows air to pass through. Instead of a solid cushion between the lid and the fruit, Mallison devised a ring type, ventilated pad with a circular hole in the center. A slotted paper liner completes the ventilated basket.

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NEW YORK FINDS VEGETABLE SEED PRICES UNCHANGED

Prices of most vegetable seeds have changed little from those of the past year, according to a report from Professor Paul Work of the New York State College of Agriculture. His price list represents 18 kinds of vegetables and consists of 27 varieties from each of 10 seedsmen who serve commercial vegetable growers. The seed price index for 1935 was 100, in 1936 prices averaged 96 in the index, and for 1937 the average is 95.

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SAN FRANCISCO UNDER MILK MARKETING PLAN

A stabilization and marketing plan for fluid milk in the San Francisco Area will go into effect on March 22 under provision of the Young Act recently amended by the Legislature, it was announced this week by California Department of Agriculture. A price of 72 cents per pound milk fat is to be paid to producers by distributors in the area. This price is said to "reflect the economic relationship between fluid milk and manufactured milk."

SECRETARY AMENDS GRAIN STANDARDS

Amendments to the official grain standards of the United States with respect to shrunken and broken kernels of wheat, cereal oats, barley, dockage, and damaged barley kernels, and to determination of heat-damage and mellowness of barley, were promulgated this week by the Secretary of Agriculture.

The amendments were made following a series of meetings held with members of the grain industry during February and March. They will become effective October 1, 1937. For Hard Red Winter, Soft Red Winter, White, and Durum wheat, the amendments will establish maximum limitations of 7 percent of shrunken and broken kernels for grades 1 and 2 and a limitation of 10 percent for grade 3.

Details of the other amendments may be obtained from the Bureau of Agricultural Economics, Washington, D. C. The Secretary announced that no changes will be made at this time with regard to "cracked corn and foreign material" in the corn standards, but that proposals advanced by the grain trade to amend the standards for Mixed Durum are under consideration.

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SURVEYS BEING MADE OF PRODUCE MARKETS

Improvement in fruit and vegetable wholesale and jobbing markets in cities is the objective of a series of studies of markets in 39 leading consuming centers over the country by the Bureau of Agricultural Economics. By surveys, the Bureau is gathering essential facts as to the location of markets, volume of business done, cross-hauling between markets, the relative importance of rail and truck receipts, prevailing charges for trucking and commission, and the principal regulations governing marketing practices and methods.

Changes in buying habits of consumers, increased marketing costs, and development of motor-truck transportation and chain-store methods of purchase and sale - all have affected the wholesale fruit and vegetable markets, according to the Bureau. With these changing conditions, it is stated, there has come a growing feeling among growers, consumers, and members of the trade that better markets are necessary to the welfare of farmers and consumers.

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THE MILK COW POPULATION which has declined 7 percent or nearly 2,000,000 head during the past three years, is believed by the Bureau of Agricultural Economics to have reached the low point. Some increase in milk cow numbers is expected in the next two years and a more marked increase in 1939.

CONTINUED STRONG DEMAND and slightly higher prices for a number of farm products during the near future were forecast this week by the Bureau of Agricultural Economics. During the next thirty days the Bureau expects prices of feed grains, hogs, wool, butter and eggs to fluctuate around current levels, and prices of cattle, lambs, poultry, fruits and potatoes to advance.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEAPCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL

ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 24, 1937

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U. S. Department of Agriculture

Vol. 17, No. 12

OUTLOOK FAVORABLE

FOR MOST FARM PRODUCTS

A generally favorable outlook for most farm products was reported this week in a series of spring cutlook reports issued by the Bureau of Agricultural Economics.

Prices of nearly all grades of slaughter cattle are expected to average higher this year than last, and they may be higher than in 1935, it was stated. Higher prices of lambs this spring compared with last were forecast, and higher hog prices this summer following a spring period of little change in prices.

The Bureau said that with below normal world carry-over stocks in prospect in July 1937, world wheat prices are expected to continue at relatively high levels in 1937-38. No marked expansion in acreage of corn and other feed grains was reported planned by farmers this year, despite currently small supplies and high prices of feed.

The 1937 United States flaxseed crop will enter a market this fall, the Bureau said, affected by larger world supplies and slightly greater world demand than in the fall of 1936. A generally favorable market outlook for tobacco growers was forecast, since tobacco consumption is increasing and stocks of most types of tobacco are expected to be less at the beginning of this season than last. An improved outlook for rice producers was reported.

A more-than-usual advance in prices for most fresh fruits this spring was forecast by the Bureau, but generally lower prices for vegetables as crops recover from unfavorable winter growing conditions. The total acreage of potatoes intended for harvest this year is about 6 percent larger than the acreage harvested in 1936. With average yields, this increased acreage would produce about 11 percent more potatoes than were produced in 1936, the Bureau said.

(Copies of the complete spring outlook reports, covering wheat, feed grains, cattle, hogs, sheep, lambs, tobacco, fruits, vegetables, flax and rice may be obtained from the Bureau of Agricultural Economics, Washington, D. C.)

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NORTH CAROLINA WOULD AMEND "PURE SEED LAW"

An amendment to the "Pure Seed Law", providing for additional teeth and lowering the retail license fee has been offered in the General Assembly of North Carolina by North Carolina Department of Agriculture. The proposed changes have been approved, the Department says,

by a representative farmer-dealer group comprising a committee of the North Carolina Crop Improvement Association.

The amendment provides that the retail seed dealer's license fee be reduced from \$25 to \$10 and the "second set of teeth" give peace officers, the Commissioner of Agriculture, and his agents authority to seize seed, begin condemnation procedure and to sell the seed at auction "if within 30 days the requirements have not been met."

Under the present law, violation of the law is considered a misdemeanor and upon conviction the violator is subject to a maximum fine of \$100. Under the Act, any farmer, wholesaler or retailer in North Carolina may send his seed to the Department of Agriculture and have it tested without ccst, but out-of-State dealers are required to pay a service charge. At present, no distinction is made between wholesaler and retailer, and each is charged a \$25 license fee.

The Department says that no State in the Union charges more than a \$25 seed license fee, and that only four States charge this amount.

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NEW YORK HAY SUPPLY AMPLE

Although farmers in some sections of New York State are short of hay and may be in the market for hay for the next six or seven weeks, supplies in other sections of the State are sufficient to meet all needs, it was reported this week by New York Department of Agriculture.

The Department is conducting a clearing house for hay sellers and buyers, and has reported prices ranging from \$7 to \$18 a ton. Mixed clover is listed at \$12 to \$14 a ton, baled, and \$9 to \$11, loose. Feeder grass is held at \$10 to \$11 a ton baled and \$7 loose; timothy, \$11 to \$14 baled, and \$8 to \$11 loose; alfalfa \$12 to \$18, baled, and \$10 to \$15, loose, all prices being quoted at the farm.

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NCRTH DAKOTA AIDS CONSUMER FOOD BUYING

North Dakota Extension Service has just issued a leaflet on "Pointers in Buying Commercial Canned Foods" as part of a program which seeks to aid consumers in the buying of food. In the leaflet, consumers are urged to be alert to the information given on labels; to know standard grades and to use them as a basis for judging quality in canned foods; to recognize standard sizes of cans and their capacity in terms of cups, pints, or quarts; to make definite plans for buying before starting to market, and to keep records on all canned foods bought to use as a basis of judging.

The leaflet contains descriptions of grades for canned fruits and vegetables, grades for salmon, sizes of cans and foods packed in the different sizes of cans and the approximate number of servings in each and a chart showing how records of purchases should be kept by housewives.

TURKEY MARKETING SUBJECT CF NEW ENGLAND MEETING

Marketing officials and extension service economists in New England States recently met with representatives of various New England turkey growers associations, at Boston, to discuss common marketing problems. States represented included Connecticut, Massachusetts, New Hampshire, Maine, Vermont, and Rhode Island.

Expansion of the turkey industry resulting from "promotional methods sponsored by certain feed concerns" and from "easy credit" was the subject of much discussion. It was generally agreed that there should be more cooperation on the part of the various State associations for the purpose of maintaining a more uniform price, and it was voted that these associations make known to Production Credit Associations "the problem relating to over-expansion" of the turkey industry.

Ways to increase consumer demand were discussed, and it was suggested that the extension service conduct consumer schools for this purpose. A cooperative advertising campaign among retailers was also proposed.

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FEBRUARY FARM INCOME AT NEW RECOVERY HIGH

Farmers cash income from farm marketings in February was the highest for the month since 1930, it was reported this week by the Bureau of Agricultural Economics.

The February total was \$504,000,000 compared with \$449,000,000 in February 1936, and with \$257,000,000 in February 1933. The highest preceding February cash income figure was \$685,000,000 in 1930.

In addition, farmers received \$53,000,000 in Government payments during February, making a total cash farm income in February of \$557,000,000. No Government payments were received in February last year.

The gain in income from marketings this February compared with last was attributed chiefly to the higher prices of farm crops. Largest income gains were reported for wheat, potatoes, and cotton.

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FARMERS PLANNING TO INCREASE SPRING CROPS

Farmers are planning material increases in the acreage of spring crops compared with the acreage harvested in the drought year of 1936, it was reported this week by the Bureau of Agricultural Economics. Nearly all crops show increases, and some of the increases appear large; but with supplies on farms reduced by drought and with the demand for most farm products showing signs of recovery, the Bureau said the intended acreage does not appear to be abnormal.

The largest increase over last year's harvested acreage is shown in spring wheat for which an increase of 87 percent is reported, but much of the spring wheat area is still dry and both seedings and production are very uncertain, it was stated.

In comparison with the average of the 1928-32 five-year period, most important decreases shown are: corn 8,600,000 acres, oats, 4,400,000 acres, barley 1,700,000 acres.

FLORIDA MARKETING BUREAU ISSUES BIENNIAL REPORT

A report of activities and results covering the period July 1, 1935 to March 1, 1937, was recently issued by the Florida State Marketing Bureau. In it, Commissioner Rhodes of the Bureau says that the livestock department has been working on several marketing problems during the past several years, such as the establishment of cooperative hog sales, a Florida cattleman's association, livestock auction markets, farmers markets to assemble products into carlots, and market quotations on livestock and livestock products.

Discussing activities in connection with the Florida poultry and dairy industry, Commissioner Rhodes reported that the establishment of an egg buying station at Marianna has done much to improve the egg market situation in West Florida by raising the market price of eggs in that section. This was accomplished, he said, by buying eggs on a graded basis and paying a premium for good quality eggs.

The Bureau extended its market news service to cover the Tampa egg and poultry market, and established egg grading service for egg dealers in Tampa, St. Petersburg, Jacksonville and Miami. Funds were obtained with which to advertise Florida turkeys in newspapers in the principal Florida markets, "urging cosumers to use home raised turkeys."

Much service has been rendered along educational lines in the past two years in an effort, the Commissioner said, to improve the grade and pack of fruits and vegetables, and for the betterment of general marketing practices. Grade or condition inspection based on Federal and State grades were applied in the last two years on 52,556 cars of fruits and vegetables by the Bureau in cooperation with the United States Bureau of Agricultural Economics.

Discussing market news services, Commissioner Rhodes reported that "the market news division of the State Marketing Bureau is the center of all the market news services in the State. Our leased wire connects with the central headquarters of the Federal market news service in Washington where all the market news service of the nation is centered. We receive an immense volume of market code messages in the Jacksonville office and we distribute the necessary information to our citrus station in Lakeland and other stations in Belle Glade, Pompano, Sanford, Plant City, Bradenton, Hastings and Leesburg. Each of these eight field stations publishes a free daily market bulletin.

"The Jacksonville office published a daily bulletin covering full shipment, passing, arrival, unload, track holding, and price information for all fruits and vegetables throughout the State. More than 2,200 growers and shippers request this service each year. An average of 30 daily market telegrams are sent to shippers collect. Some 41 telegrams are sent regularly to the producers and trade on dates of changes in the Jacksonville egg quotations. All of our market service is made available to the daily newspapers through the Associated Press."

(Copies of the 27-page report - reading time: one hour - may be obtained from Florida State Marketing Bureau, Jacksonville, Florida.)

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· THE USUAL ANNUAL REPORT of carlot shipments of fruits and vegetables, by commodities, states, and months, covering the calendar year 1936 is obtainable now from the Bureau of Agricultural Economics, Washington, D. C.

STATE AND FEDERAL

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March 31, 1937

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Vol. 17, No. 13

IDAHO DEPARTMENT
PLANS MARKETING WORK

Possibility of the re-establishment of a Bureau of Markets in Idaho is suggested in a letter received this week from Guy Graham who is now the Commissioner of the Idaho Department of Agriculture.

Commissioner Graham wrote that "while the law provides for a Bureau of Markets in this Department, there has been no one serving in this capacity for a number of years. It is my plan, however, to try and arrange our financial budget in a way that some work can be done along this line.

"Most of the work of the Department," he continues, "is of a regulatory nature, consisting largely of inspecting and certifying to the shipment of thousands of cars of fruits and vegetables. The demand for certificates of inspection has increased considerably the past two years, and the outlook is for a heavy increase during the coming season."

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ILLINOIS DEPARTMENT TO HAVE NEW DIRECTOR

The appointment of J. H. Lloyd as Director of the Illinois Department of Agriculture to take the place of Walter W. McLaughlin who resigned effective April 30, 1937, was reported this week by the Illinois Department.

A marked increase in regulatory activities of the Illinois Division of Markets during the past four years was reported by H. M. Newell, Superintendent of that Division. Mr. Newell said "we have increased the amount of this work done under the Illinois Standardization Act and have added to our activities the administration of the Illinois Law Governing Storage of Grain."

The Division also administers the Illinois Agricultural Cooperative Act which regulates the incorporation and activities of cooperative organizations within the State. As to service work, Mr. Newell lists the principal activities as "the fruit and vegetable shipping point inspection service; butter and egg grading work and canned poultry inspection work, all in cooperation with the Bureau of Agricultural Economics."

The Division does no market research other than to make "minor investigations that may be necessary in adopting policies or involving problems concerning regulatory and service work. In Illinois it is a well established policy to confine State activities to regulatory and service work and to leave research and educational work to the Experiment Station and the University at Urbana."

ATTN MISS TROLINGER

WASHINGTON APPLES; IDAHO POTATOES TO BE ADVERTISED

Trade journals recently have reported that a Washington State Advertising Commission and compulsory national advertising on a large scale for apples produced in Washington is provided in a bill which has passed both the House and Senate in that State.

The advertising fund would come from a tax upon producers, of 2 cents per hundredweight of all apples shipped. The State would furnish stamps, and no apples could be shipped unless stamped. The Commission would be composed of 7 apple producers and 4 apple dealers to be appointed by the Governor.

The Idaho Legislature, it was reported, has passed a special bill to tax potato growers in the State 1 cent per hundredweight of all potatoes produced, the proceeds to be used for advertising potatoes in national markets. The Maine Legislature last year appropriated funds for advertising potatoes and other farm products; a similar bill now before the Maine Legislature provides for advertising this year's potato crop.

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<u>ILLINOIS RECOMMENDS</u> <u>CHANGES IN MILK MARKETING</u>

Six ways to improve the milk marketing situation in the St. Louis Milkshed are recommended by the University of Illinois in a bulletin just published. Substantial savings to producers, better pay to haulers, and more efficient service to distributors and consumers would be effected by the proposed changes in present practices, according to R. W. Bartlett, Assistant Chief in Agricultural Economics, and W. F. Caskey, formerly Scientific Assistant in Agricultural Economics, who are the authors of the bulletin which is entitled "Milk Transportation Problems in the St. Louis Milkshed."

It is recommended (1) that milk now manufactured at city plants should be diverted to country plants, in order to avoid unnecessary hauling costs; (2) that careful consideration be given to market policies which will encourage a more even production of milk; (3) that hauling routes from farms to milk plants in the St. Louis milkshed should be gradually rearranged to reduce the distance that milk is hauled and to increase the volume of milk per load; (4) that schedules for truck arrivals at receiving stations be made to prevent unnecessary delays in unloading milk; (5) that careful consideration be given to establishing a minimum 'pick-up' charge, since hauling charges paid by small-volume producers frequently fall below the actual cost incurred; (6) that complete records of the cost of operating milk trucks be kept by truckers.

Copies of the bulletin may be obtained from the University of Illinois, Urbana, Ill.

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MARCH FARM PRICE INDEX AT SEVEN-YEAR HIGH POINT

The highest March farm price index in seven years was reported this week by the Bureau of Agricultural Economics. The index was 128 as of March 15, compared with 127 on February 15, and with 104 on March 15 a year ago. The March index for the year 1930 was 135. The highest post-depression peak was 133 on January 15, 1937.

MISSISSIPPI WARNS AGAINST COTTON EXPANSION

Progress achieved during four consecutive years and which brought Mississippi one of its most prosperous years during 1936, is threatened by an apparent tendency to reduce production of feed crops and increase cotton acreage, according to Commissioner J. C. Holton of the Mississippi Department of Agriculture.

"About this time four years ago," the Commissioner says, "Mississippi was faced with one of the most discouraging outlooks in history. Cotton had been produced over a period of years in quantities greater than amounts consumed and surpluses had accumulated to manumental proportions. Price tobogganned in year-by-year decreases from 20.2 cents for the crop of 1927-28 to 5.7 cents for the crop of 1931-32. Then started the upward swing - 6.5 cents for the crop of 1932-33; 9.7 cents in 1933-34; 12.6 cents for the crop of 1934-35, and 12 cents and better to date.

"This remarkable upswing which brought back prosperity and restored hope and confidence in Mississippi was brought about by a concerted effort. The acreage of cotton was adjusted to meet prospective demands — and kept that way. The cotton surplus has been largely absorbed. Excess cotton acres were planted to corn, oats, soybeans, cowpeas, and other food and feed crops. The livestock population was substantially increased — and Mississippi is enjoying almost unprecedented prosperity.

"To revert now to the very practices that brought about this disaster, to reduce acreage of corn and hay which not even last year were sufficient, to check the growth of Mississippi's increasing livestock industry, would be unfortunate indeed. Worse than all, $14\frac{1}{2}$ cent cotton in April means little to farmers who now have no cotton to sell, means nothing whatever to the price of the crop not yet planted. To overproduce cotton now is to break the steady march of progress, with attendant dangers of excessive surpluses and low price."

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MASSACHUSETTS FARM LIVING COSTS STUDIED

Massachusetts farm families spend \$930 a year less for living than do their city cousins, according to a recent survey by the Massachusetts Extension Service. Five hundred dollars of this difference represents living furnished by the farm in the form of food, fuel, and living quarters.

The survey included 75 farm families in Bristol and Plymouth Counties and 36 urban families in the same section of the State. The city families averaged 3.7 persons, while the farm families averaged 3.1 persons.

The total cost of living for city families was reported at \$2,099. Farm family living came to \$1,669, but only \$1,169 had to be paid in cash, the remaining \$500 being the value of food, fuel, and housing furnished by the farm.

The city family spent \$504 for food. The farm family spent \$451; in addition there was harvested \$218 worth of groceries from the farm garden. Forty-four of the farm families used farm fuel at an average saving of \$60. Clothing and personal expenses for the country family cost \$135; for the city family, \$224. The average city family spent \$212 for transportation and \$103 for education, whereas in the country, transportation cost \$133 and education \$18.

STUDYING TURKEY INDUSTRY

A nation-wide survey of turkey production and marketing is being made by the Bureau of Agricultural Econmics in cooperatin with other Governmental agencies, it was announced this week by Dr. A. G. Black, Chief of the Bureau. The other agencies are the Bureau of Animal Industry, the Agricultural Adjustment Administration, and the Farm Credit Administration.

The purpose of the survey is to bring together information which will help to avoid a repetition of conditions which in 1936 resulted in severe financial losses to many turkey producers. Studies are being made of recent trends in turkey production, the relation of turkey prices to feed costs, distribution practices at shipping points and terminal markets, and the factors influencing consumer demand. A detailed report of the Committee's findings and recommendations is expected within the next three or four weeks.

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NORTH CAROLINA SEEKS COTTON QUALITY IMPROVEMENT

North Carolina cotton growers could increase their income several million dollars a year by producing higher quality of lint, says J. C. Ferguson, extension cotton gin specialist in that State.

Much of the cotton produced in North Carolina, says Ferguson, was sold during the past five years at less than the average price per pound because it was raised from inferior seed, improperly cultivated, and damaged in the ginning process.

Cotton growers in the State are being urged to produce a standardized variety of uniform staple length, and to use better harvesting methods. Ginners are being asked to help by using only good equipment and by properly operating gins.

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BUREAU HAS NEW STANDARDS BUILDING

Standardization and research in cotton, wool, hay, seeds, beans, peas and soybeans will be conducted henceforth by the Bureau of Agricultural Economics in a new Standardization Building which has been constructed in Washington, for this purpose. The building contains more than 75 offices and laboratories equipped for intensive study of the properties and qualities of the various products; it provides, in addition, warehouse space for more than 1,000 bales of cotton, 600 bales of hay, and large quantities of wool.

Cotton, wool and hay produced in all areas of the Nation, and to some extent in foreign countries, will be sampled, classed and graded in connection with the Bureau's program of evaluating properties and qualities. Scientific research in the cotton laboratories will include studies of cotton staple length in relation to staple classification and standardization, the relationship of cotton color to grade classification and standardization, new uses for cotton, the preparation of cotton for the market, and studies of cotton seed and cotton seed products.

Hay quality standardization factors will be studied, and efforts made to developed improved methods of determining factors of quality in beans, peas, and split peas. Similar research will be made on wool, mchair, and soybeans.

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CONNECTICUT BUREAU LISTS MANY PROJECTS

Twenty-three research, service, and regulatory projects are now included in the scope of activities of the Connecticut Bureau of Markets, according to a report by Sidney A. Edwards, Director.

Research activities include the collection and tabulation of rail, express and truck receipts of fruits, vegetables and other perishable products; compilation of jobbing prices applying on the four principal markets of Connecticut - Hartford, New Haven, Waterbury, and Bridgeport - and the reduction of this material to weekly averages; compilation of prices and volume of products sold at the Manchester Strawberry Auction, New Haven Strawberry Auction and the four egg and poultry cooperatives in Connecticut; compilation of statistical information concerning the marketing of farm products in Connecticut; issuance of intentions and actual acreage of vegetables and small fruits in Connecticut; collection and tabulation of retail prices on food products in four principal Connecticut cities, and the collection and distribution of turkey intentions and actual market supply.

Service activities include the issuance of the "Connecticut Market Bulletin" thrice weekly; issuance of a weekly apple market report during the apple marketing season; establishment and supervision of voluntary grades for vegetables, potatoes, apples, cord wood, turkeys and eggs; issuance at cost of standard labels for identifying graded products packed in accordance with official State grades; issuance of grading bulletins and charts covering apples, potatoes, eggs and field seeds in cooperation with the Extension Department at the Connecticut State College and the Connecticut Agricultural Experiment Station; agricultural publicity service to newspapers and radio stations; cooperation with agricultural commodity organizations, fair associations and farm bureaus receiving State aid; consumers' information service in cooperation with W.P.A. and the Connecticut Consumers' Council; issuance of the Connecticut Agricultural Calendar on the first and fifteenth of each month -listing of important agricultural meetings, and the issuance annually of the Connecticut Crop and Livestock Review.

Regulatory activities include administration of the Connecticut Fresh Egg Law, the Retail Package Marketing Law as it applies to potatoes, the Potato Cull Law, the Connecticut Seed Law, the Grades Protection Law which is a correct labeling law, applying to products advertised or sold as being of an official grade, and the Live Poultry Dealer and Carrier Licensing Law.

Mr. Edwards reports that regulatory duties have been increased in the past few years, and cites especially in this connection the Potato Marketing Law, the Fresh Egg Sales Law and the Live Poultry Dealer

and Carrier Licensing Law. Amendment to the Seed Law, now pending, would include vegetable seeds in the provisions calling for a statement of germination and date of test on the package.

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KANSAS SEES NEED

FOR MARKETS BUREAU

J. C. Mohler, Secretary of the Kansas State Board of Agriculture recently reported that although efforts to create a Bureau of Markets in Kansas have failed at the present session of the Legislature, "we feel that such a Bureau will be established before long, perhaps at the next session."

Secretary Mohler reported that the Board's regulatory activities "are growing rather than decreasing." The present session of the Legislature enacted a bindweed eradication law and a soil drifting law for administration by the Kansas Board of Agriculture.

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IOWA REGULATORY WORK INCREASED

An increase during the past few years in regulatory activities of the Iowa Department of Agriculture was recently reported by Thomas L. Curran, Secretary. The Iowa Department has no marketing bureau but has divisions dealing with dairying and foods, animal industry, chemistry, and entomology, and a weather and crop bureau which is a cooperative agency of the United States Department of Agriculture.

The chief of the dairy and food division has supervision of the work of 22 dairy and food inspectors; 6 restaurant inspectors, and 4 scale inspectors, in enforcing 32 laws concerning dairies, creameries, groceries, meat markets, hotels, restaurants, feeds, seeds, fertilizers, weights and measures, gasoline, oil, and canning factories. The State chemist tests all products collected by the dairy and food inspectors. The State entomologist is charged with the supervision of the inspection of all nursery stock and crop pest control work. The chief of the animal industry division is responsible for the control and supervision of all live stock diseases; outbreaks of hog cholera; serum and virus and the movement of livestock. He has charge also of the bovine tuberculosis eradication work. The weather and crop bureau compiles agricultural statistics in cooperation with the Federal government.

In addition, the Department has charge of the warehouse law which makes it possible for farmers to have their grain sealed on the farm; has charge of the stallion registration law which requires all stallions to be licensed with the Department, and administers the State aid to short courses, poultry shows and institutes.

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SOUTH DAKOTA TO INCREASE STATISTICAL ACTIVITIES

Expansion of statistical activities of South Dakota Department of Agriculture was provided this spring by the South Dakota Legislature which granted "an increased appropriation and legislative authority to cooperate with the Federal Bureau for greater efficiency and general agricultural value in compiling statistics," according to a report by State Secretary of Agriculture Gordon Stout.

UTAH LEGISLATURE PROVIDES FOR MARKETING WORK

"For the first time in the history of Utah, the Legislature has made a small appropriation for work in marketing," reports Commissioner David F. Smith of the Utah Board of Agriculture. "The amount appropriated was inadequate, but we may be able to use some of the other appropriated funds for this purpose," the Commissioner said.

All research work in Utah is done by the Experiment Station, and regulatory work by the Utah Department of Agriculture. "Our regulatory work has been increased somewhat in the last few years," Commissioner Smith said. "We have taken on new activities in our livestock sanitation work. We have some new regulations that have been adopted for dairy products. A produce dealer's law has been put into effect. Some laws have just recently been passed, dealing with wormy fruit, weed control, milk control, and soil conservation district participation by this Department."

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TEXAS PRODUCE INSPECTION SERVICE EXPANDS INDUSTRY

Expansion of the fruit and vegetable industry in Texas has resulted in important measure from the shipping point inspection service which now covers the entire State, according to Commissioner J. E. McDonald of Texas Department of Agriculture.

Shipping Point Inspection Service, a cooperative work conducted jointly by the Federal Government and Texas Department of Agriculture has been enlarged until all commercial crops of fruits and vegetables are covered, the Commissioner says. There were about 30,000 inspections last vear.

The work locally is in the charge of the Division of Markets and Warehouses, of which C. E. McCormick is chief. This Division also administers laws relating to the bonding and operation of "State Bonded Warehouses", and agricultural cooperative associations. There are about 800 "State Bonded Warehouses" in Texas.

MINNESOTA HAS NEW MARKETS DIRECTOR

L. H. Brodrick is now Director of Markets in the Minnesota Department of Agriculture, Dairy and Food. He reports that "we have exclusive authority to enforce the Minnesota Wholesale Produce Dealer's Act, which provides for the bonding and licensing of all individuals engaged in the wholesale produce business in Minnesota.

"This office also enforces the Cold Storage Act," Mr. Brodrick continues, "which calls for the inspection of cold storage warehouses insofar as sanitary and wholesome cold storage conditions are concerned. Under this Act we also record the quantities and types of foodstuffs kept in cold storage.

"The Market News Service which is operated in cooperation with the Bureau of Agricultural Economics issues a market bulletin on Minneapolis market conditions, keeps a record of daily arrivals of fresh fruits

and vegetables on track, and makes up monthly and yearly unloading reports.

"Also, in cooperation with the Federal government, is the Fruit and Vegetable Inspection Service. Upon order from either a shipper or receiver of fruits or vegetables, inspections are made either as an exclusive State report or as a Federal-State report.

"It is the policy of this office," Mr. Brodrick concludes, "to do everything within its power to raise the standard of farm produce which is shipped out of, or into, the State of Minnesota."

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THE WEEK IN BRIEF

NOTING the recent rapid rise in spot cotton prices, the Bureau of Agricultural Economics said that "mill activity and cotton consumption in the United States continued at a record breaking level during February."

LIGHTER supplies of most manufactured dairy products and a generally reduced rate of production contributed strength to dairy markets during the past month, said the Bureau of Agricultural Economics.

NEW JERSEY, New York, and Pennsylvania supplied only 12.5 percent of the poultry received at New York City in 1936, whereas they supplied 22.3 percent of the eggs, said New York College of Agriculture.

RETAIL food prices in mid-March averaged nearly $7\frac{1}{2}$ percent higher than at that time a year ago, reported the Bureau of Labor Statistics. The March 16 index was 85.4, compared with 84.5 on February 16, and with 79.5 on March 10, 1936.

IOWA may have the worst grasshopper infestation in the State's agricultural history this year, said Iowa State College, estimating that 18,000 tons of poison bait may be needed this year to combat the pests.

STRONG consumer demand has been an important price supporting factor in the poultry and egg industry this spring, said the Bureau of Agricultural Economics. A strong demand for eggs by cold storage operators was reported.

SAP BUCKETS in New York are heavier this year than last, with maple sap yielding more syrup to the gallon, reported New York Department of Agriculture. The State has 10,000 "sugar bushes".

LETTUCE shippers in California and Arizona are "building up a financial war chest" to promote consumption of lettuce through advertising. Since March 1 they have been contributing \$5 per car for advertising purposes. Newspaper ads have appeared in New York, Chicago and Des Moines. A country-wide newspaper and radio advertising program is planned.

TENTATIVE U.S. Standards for Grades for Live Poultry (revised April 1, 1937) were issued by the Bureau of Agricultural Economics. They include grades A, B, and C. All cull birds must be graded as "Rejects".

STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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April 14, 1937

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Vol. 17, No. 15

MARKETING OFFICIALS TO HOLD SPRING MEETING

The Atlantic States Division of the National Association of Marketing Officials will hold its annual spring meeting at Washington, D.C., April 26 and 27.

The program for the two-day session will cover subjects such as the following:

"New Policy and Position of the Food and Drug Administration and the Bureau of Agricultural Economics Regarding Misbranding of Fruits and Vegetables."

"How to Make Consumers Grade Conscious."

"Progress of the National Poultry Improvement Plan."

"What Can the A.A.A. Do for Atlantic States Poultrymen?"

"Developments in Potato Merchandising,"

"Future of Cooperative Federal-State Relationship in Shipping Point Inspection Service."

The Association hopes to announce the complete program and names of speakers, next week.

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OHIO MARKETS DIVISION LISTS MANY ACTIVITIES

E. A. Flemming, Chief, Ohio Division of Markets, recently replied to a questionnaire distributed by "MARKETING ACTIVITIES" that the service rendered by his division is divided into four sections: standardization and misbranding inspection; fruit and vegetable inspection; market news, and egg and poultry grading and inspection.

Mr. Flemming reported that the activities of his division "have been increasing several fold in the last three or four years." In 1936, there were 117 prosecutions under the Ohio Standardization Law; 112,077 inspections were made of fruits and vegetables under cooperative agreement with the Bureau of Agricultural Economics, and 20 organizations used the egg grading and inspection service, which is also a Federal-State project. A poultry grading and inspection service was installed at two plants on March 1 this year.

Annually, the Division makes a survey in the large cities of Ohio to determine the relationship of egg quality to retail prices.

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"PRICE SPREADS Between the Farmer and the Consumer", a statistical supplement which brings up to date the tables contained in the mimeographed report under the same title in July 1936, has just been issued by the Bureau of Agricultural Economics.

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HEARINGS ON SUPERVISION OF ST. LOUIS POULTRY MARKETING

A hearing on proposed Federal supervision of live-poultry marketing at St. Louis, Mo., will be held in that city on April 21, it was announced this week by the United States Department of Agriculture.

The purpose of the hearing is to develop facts to assist the Secretary of Agriculture in determining whether he should designate that area as a market subject to Federal supervision under the provisions of the Packers and Stockyards Act as amended August 14, 1935.

The Act as amended provides that the Secretary of Agriculture may designate cities in which licensing is desirable to protect producers against unreasonably low prices and consumers against unreasonably high prices.

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GEORGIA PLANNING TO BUILD FARMERS' MARKETS

A series of State Farmers' Markets is to be operated in Georgia in addition to the five which are already in existence, according to Hamilton Ralls, Supervisor, Georgia Marketing Division.

Georgia Department of Agriculture is now headed by Columbus Roberts, as Commissioner. Mr. Ralls reports that "the purpose of this Department is to assist in every possible way the Georgia farmer in marketing his produce and getting a fair price; in bringing the buyer and seller together, and in establishing fair prices for country produce. The markets are the public buildings owned and operated by the Department and the State for the gathering together of farmers and truckmen, buying and selling and exchanging farm produce and commodities of all kinds. Watermelon inspection is under Federal-State cooperation."

NEVADA FINDS PRODUCTS GRADING OF VALUE

The standardization and grading of agricultural products has been of immense benefit to the growers in Nevada, reports George G. Schweis, Director, Nevada Division of Plant Industry, citing the grading of hay, fruits, vegetables, turkeys, honey, and butter.

Mr. Schweis in a report by Nevada Department of Agriculture for the period July 1, 1934, to June 30, 1936, says that "the number of grades given vegetables and fruits during the biennium was not as great as during the previous biennium, but under a new California law, which requires all fruit and vegetables to be labeled with their true grade, it will be necessary for the shippers to call for this service, as all of these commodities not properly labeled will not be admitted into the State of California, whose market absorbs practically all surplus Nevada produce."

Reporting an increasing demand for turkey grading, Mr. Schweis says that "turkey shippers are no longer risking losses they formerly were required to take when dealers docked them because of alleged poor quality."

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THE VERMONT LEGISLATURE has passed a new law to take the place of the so-called "Milk Control Law".

McCORD RESIGNS AS TENNESSEE MARKETS CHIEF

Thomas P. McCord this week announced his resignation, effective May 1, as Chief of the Tennessee Division of Markets, to become vice-president of the Montgomery Union Stockyards at Montgomery, Alabama.

McCord also tendered to the National Association of Marketing Officials his resignation as vice-president of that association, an office to which he had been elected at the 1936 convention of the association, held at Nashville, Tenn.

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WORKERS HAVE TEN PERCENT GAIN IN BUYING POWER

A 10-percent increase in the food buying power of employed imdustrial workers now as compared with 1929 is reported in a special article on food prices and recovery by L. H. Bean in the April issue of The Agricultural Situation, a monthly publication of the Bureau of Agricultural Economics.

Mr. Bean is economic advisor to the Agricultural Adjustment Administration. He says that on the average "employed persons in cities can buy (now) the same quantity of food they bought in 1929 for 19 percent less money and the nonfood items in their budget for 15 percent less. Their average earnings are about 11 percent less. In other words, the average earnings of employed industrial workers now have a food-purchasing power 10 percent greater than in 1929, and the balance of their earnings can buy 8 percent more of industrial goods and services. These generalizations apply to a group of workers in manufacturing, mining, trade, transportation, and service industries totaling over 16 million compared with nearly 19 million in these industries in 1929 and 12 million at the bottom of the depression."

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CREDIT ADMINISTRATION GETS LOAN APPLICATIONS

Nearly 3,000 farmers in the first quarter of 1937 applied to the Federal land banks and Land Bank Commissioner for loans of approximately \$11,000,000 to be used exclusively in the purchase of farms, it was reported this week by Governor W. I. Myers of the Farm Credit Administration.

"Higher farm commodity prices and a favorable outlook for agriculture in general has caused a notable increase in the number of young farmers and tenants moving forward to farm ownership," commented Governor Myers.

Evidence of ability as farm operators and enough money to make the first down payment are the basis on which farmers obtain these loans. Small repayments are made each year so that an opportunity for full ownership is afforded by amortizing the loan over a period of years.

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A LIST of printed publications which have been issued by the Bureau of Agricultural Economics during the past fifteen years may be obtained upon request to that Bureau. It includes department bulletins, technical bulletins, department circulars, farmers' bulletins, leaflets, service and regulatory announcements, yearbook separates, miscellaneous circulars, and statistical bulletins.

FARM HANDS GETTING HIGHER SPRING WAGES

Farm hands are getting the highest spring wages in six years. Wages have gone up 9 percent since January and are now 12 percent above pre-war, the Bureau of Agricultural Economics reported this week.

The spring rise, the largest since the spring of 1923, was attributed to a reduced supply of labor. The supply was reported at 87 percent of normal.

The supply of labor about balanced the demand on April 1, as national averages, but the supply and demand were not evenly distributed. A shortage of farm labor is indicated east of the Mississippi River, but a surplus west of the River.

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USE OF SOYBEAN OIL SHOWS RAPID INCREASE

How soybean oil has become of increasing importance in the United States the past few years is revealed in the April report of the Bureau of Agricultural Economics on fats and oils.

In 1930, soybean oil represented less than 1 percent of the vegetable oil production from domestic materials in this country, and only about 2/10 of 1 percent of the total consumption of fats and oils.

But in 1936, soybean oil accounted for 12 percent of the production of vegetable oils, and $2\frac{1}{2}$ percent of total consumption - increases, the Bureau says, that make the outlook for the soybean crop, embracing beans and meal as well as oil, of growing significance in the fat and oil situation.

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NEWS OF THE WEEK IN BRIEF

REDUCED TURKEY HATCHINGS apparent this spring throughout Illinois should help to make better prices for turkeys next fall unless feed prices remain high, said Illinois College of Agriculture.

A MARKED RURAL TO URBAN SHIFT in the South's population was reported in an article by Dr. Carl C. Taylor in the April issue of The Agricultural Situation published by the Bureau of Agricultural Economics.

THE 1936-37 CORN CROP IN ARGENTINA will amount to 371,633,000 bushels according to the first official Argentine estimate. The harvest last season was 397,615,000 bushels.

HOW FARM MECHANIZATION has reduced the amount of man labor in the production of wheat was described by M. R. Cooper in a special article in the April issue of The Agricultural Situation.

SOME RECENT "DEAL" REPORTS by the Bureau of Agricultural Economics include "Marketing Western New York and Pennsylvania Grapes, 1936 Season"; "Marketing Western New York Pears, 1936 Season"; "Marketing Colorado Cantaloupes, 1936 Season"; "Marketing Salinas-Watsonville Lettuce, 1936 Season."

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April 21, 1937

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U. S. Department of Agriculture

Vol. 17, No. 16

ARIZONA REQUIRES
PRODUCE INSPECTION

Arizona agricultural officials have ruled that all fruits and vegetables shipped into Arizona must be in new containers and must be accompanied by an official inspection certificate.

The ruling is of especial concern to California shippers who move produce into Arizona. The California Department of Agriculture interprets it as meaning that all shipments of grapes, apricots, apples, peaches, plumbs and other California deciduous fruits, as well as fresh vegetables of all kinds, must be inspected at point of origin either by the county agricultural commissioner or the Shipping Point Inspection Service, and that the inspection certificate, setting forth the quality and condition of the shipment, must accompany the commodity when it moves into Arizona.

The California department says also that the ruling means that fruit and vegetable shippers of California will not be permitted to use reconditioned boxes if their products are to be shipped into Arizona.

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IOWA REPORTS CHICK ORDERS BELOW NORMAL

A below normal spring movement of chicks from Iowa hatcheries to individual poultry raisers in that State was reported this week by Iowa State College. Because of the sluggishness of chick demand, Iowa hatcheries were said to be overstocked. The report coincides with one issued by the Bureau of Agricultural Economics that advance orders of chicks over the United States as of April 1 were 31 percent less than orders as of the same period in 1936.

Iowa State College said that in some cases, poultry raisers of southern Iowa are delaying their chick orders until they are reasonably sure of grain prospects.

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MISSISSIPPI FARMERS URGED TO GROW MORE SWEET POTATOES

Mississippi farmers are being urged by Commissioner Holton of Mississippi Department of Agriculture to make sweet potatoes a major commercial crop. The advancing price of sweet potatoes, maintained at high levels throughout the present marketing season since the beginning of last fall, points the way, he says, to a substantial and added cash crop. He added: "The price of sweet potatoes has just about doubled since last year. The price of cotton is but little higher than at this

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period last year, and there are many who fear a much lower cotton price at harvest time. In sweet potatoes we have a cash crop to take the place of some of the surplus cotton acres."

MARYLAND STUDIES FARM LEASE PROBLEM

The development and general acceptance of farm leases which are more fair and equitable than the type of leases now in use is one of the pressing problems in some sections of Maryland, according to Director T. B. Symons of the Maryland Extension Service. He said that while the type of lease commonly employed may have been reasonably fair under conditions existing at the time it was adopted many years ago, there is need for substantial changes in order to adapt it to the changed conditions in agriculture and other economic factors as they exist today.

Dr. Symons pointed out that a solution of the problem is closely associated with the progress that can be made in the State with soil conservation, land erosion prevention, rural electrification, and many other big problems with which farm people are attempting to deal.

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REGIONAL SWINE LABORATORY TO COORDINATE RESEARCH

Completion of plans for a regional research laboratory with headquarters at Ames, Iowa, for improvement of swine through the application of breeding methods was announced this week by Dr. J. H. Mohler, Chief of the Bureau of Animal Industry. The laboratory will be the coordinating unit and headquarters for a regional program in which the Corn Belt State experiment stations are to participate. States which have approved the program in cooperation with the laboratory are Iowa, Illinois, Indiana, Kansas, Michigan, Missouri, Minnesota, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, and Wisconsin. Other States may join later.

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FARM MORTGAGE RECORDINGS SHOW MARKED DECREASE

A more than 50 percent decrease in farm mortgages in 1936 as compared with 1934 was reported this week by the Farm Credit Administration. The decrease indicates, said Governor W. I. Myers, that "the country is getting back nearer to normal operations so far as the volume of farm mortgage financing is concerned."

Estimated recordings in 1936 totaled \$800,000,000 compared with \$1,000,000,000 in 1935, and with \$1,700,000,000 in 1934. The mortgages recorded last year included renewals and refinancing of existing mortgages and to that extent did not represent additions to the outstanding debt.

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A "SUMMARY OF THE 1937 (FLORIDA) STRAWBERRY SEASON" is obtainable from the Bureau of Agricultural Economics.

CALIFORNIA ASPARAGUS CANNING UNDER AGREEMENT

California Department of Agriculture announced last week that a marketing agreement and license to regulate the canning of all asparagus grown and canned within that State is in effect, the canning period not to extend beyond June 20.

The agreement was signed by canners, with the written assent of producers, under the provisions of the California Marketing Agreement Act. The marketing agreement authorizes the State Director of Agriculture to name an industry board of five canners and five producers and one member representing the public to administer the marketing program subject to the approval of the Director. It calls also for the appointment of a committee to supervise the grading of asparagus at the time of delivery by growers to canneries,

The pack fixes grades of canning asparagus which may be received by canners and permits only the canning of No. 1 white and green asparagus. The minimum size is seven-sixteenths of an inch ring measure.

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NEW JERSEY REPORTS ON POTATO SERVICE

For the past nine years, the New Jersey Department of Agriculture has operated a market news field office at Hightstown, N.J., during the active marketing season for white potatoes. It maintains this office, reports Howard B. Hancock, who is in charge of the Hightstown office, as an aid to the growers of central New Jersey in the orderly marketing of their crop, and it attempts to be of service to growers of potatoes in all other sections of New Jersey.

Information is collected and distributed daily on carlot movement, primary destinations for the previous day, f.o.b. prices throughout the potato belt, prices at leading city markets, and economic information concerning conditions in competing areas. During the past year a new service was added, that of securing daily track holdings, for the leading loading stations in the central potato belt.

Mr. Hancock says that close cooperation is maintained with dealers railroad companies, the United States Bureau of Agricultural Economics office at Philadelphia, and the Riverhead, Long Island office of New York Department of Agriculture and Markets.

A report of the 1936 deal is obtainable from New Jersey Bureau of Markets, Trenton, N. J.

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PENNSYLVANIA EGG AUCTIONS DOING INCREASED BUSINESS

Five Pennsylvania egg auctions sold 189,562 cases of eggs last year topping the 1935 record by 33,582 cases, according to a report by Secretary J. Hansell French of Pennsylvania Department of Agriculture. The auctions are at Doylestown, New Holland, Coatesville, Butler, Center Point, and Bethlehem. Largest sales last year were in December - 19,922 cases. Second largest month was May - 18,187 cases. The auction system was created six years ago, when total sales were only 7,736 cases.

THE WEEK IN REVIEW

WITH NO MARKED CHANGE in demand for farm products expected in the near future, the general level of farm prices is not likely to change greatly during the next few months, said the Bureau of Agricultural Economics. The Bureau added, however, that "some weakening in prices is to be expected as new crop conditions become of increasingly greater importance."

FARMERS' TOTAL CASH INCOME from farm marketing and Government payments reached \$707,000,000 in March this year, or \$187,000,000 more than during the same month in 1936, the Bureau reported. This was the largest March income during the farm recovery period, and only \$22,000,000 less than in March of 1929. All major groups of farm products showed gains this March over the same month of last year.

FARM PRODUCTION OF EGGS HAS SLOWED DOWN. The Bureau said that production per hen from January through March was much larger than during the same period last year, but that production on April 1 was "hardly equal to that of a year ago." An offset was the increased number of layers, so that total egg production was about the same as the small output last April, but much less than the April 1 ten-year average.

A MAJOR FACTOR in the present hog situation is the short supply and high price of corn resulting from the 1936 drought, the Bureau said. The increasingly unfavorable hog-corn price ratio is expected to cause early marketings of fall pigs from most areas. The Bureau added that there would be at least a 5 percent decrease in number of sows to farrow this spring compared with farrowings last spring as indicated by the December 1936 Pig Crop report.

A 3 TO 4 PERCENT REDUCTION in milk production this spring compared with a year ago was said by the Bureau to feature the dairy situation. It was pointed out, however, that "if pastures are about average, milk production probably will increase more than usual when cows are turned out on pastures." A relatively large movement of manufactured dairy products into consuming channels was reported.

HIGHEST SPRING PRICES in seven years for better grades of heavy weight slaughter cattle were reported by the Bureau. Marketings of heavy well-finished cattle in the past two months have been relatively small. The number of cattle on feed in the Corn Belt on April 1 this year was reported to be 33 percent smaller than a year earlier, and the smallest for April 1 in many years.

THE DEPARTMENT OF AGRICULTURE DROUGHT COMMITTEE announced this week that the availability of spring pastures is expected to make it unnecessary for the Committee to seek further extension of the expiration dates now governing reduced freight rates on livestock feeds and roughages shipped to drought-stricken points in Nebraska, Wyoming, Montana, North Dakota, and South Dakota. Rates to some points expire on May 15; to others, on May 31.

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ATLANTIC STATES MARKETING OFFICIALS PECELVED HOLD ANNUAL SPRING CONFERENCE

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Discussions Deal with Produce Misbranding partner of leviculture Consumer Grades, Poultry Improvement, Fresh
Egg Laws, Potato Marketing, and Shipping
Point Inspection

Official representatives of twelve eastern State Departments of Agriculture, the United States Department of Agriculture, the Agricultural Adjustment Administration, and the poultry and egg marketing trade took part this week in the annual spring conference of the Atlantic States Division of the National Association of Marketing Officials, held at Washington, D. C., April 26 and 27.

H. A. Dwinell of the Vermont Bureau of Markets was elected as President of the Division for the ensuing year, and George E. Prince of the South Carolina Division of Markets, as Secretary. Officials of the National Association announced the election of E. A. Flemming of the Ohio Division of Markets as Vice-President of the National Association to fill the vacancy caused by the resignation of Thomas P. McCord as Chief of the Tennessee Division of Markets and as Vice-President of the National Association.

Presiding officers at the Atlantic States conference were W. W. Oley of the New Jersey Bureau of Markets, as President, and H. A. Dwinell as Secretary. Greetings were extended the marketing officials by Dr. A. G. Black, Chief of the Bureau of Agricultural Economics.

Trade Barriers

Dr. Black described some of the newer activities of the Bureau of Agricultural Economics, such as the studies dealing with produce terminal marketing facilities and practices throughout the country, the development of consumer grades for farm products, the tobacco inspection service, the work contemplated by the recent amendment to the cotton grade and staple law which is administered by the Bureau, and the efforts being made by southeastern States to obtain shipping point inspection service on livestock.

Discussing State trade barriers, Dr. Black said "there is hardly a State legislature that meets any more but that it tries to set up regulations which prevent the shipping in of products from outside the

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State, or to do something else which reacts against the products of producers elsewhere. Other States try to retaliate. The result is to unstabilize the markets. As marketing officials we should add to the stabilization and the efficiency and free movement of products from producer to consumer. It is about the only excuse for our existence as marketing officials. If we cannot achieve this in some degree, it seems to me most of this marketing regulation work is not only useless but harmful."

Dr. Black explained that the recently enacted amendment to the cotton grade and staple law provides for the grading of cotton produced by farmers who are organized into one-variety communities for the purpose of improving the quality of their cotton. About 2,500,000 bales of cotton are produced in these communities.

Consumer Grades

On consumer grades, Dr. Black said there must be designations which are much more simple that those in existing grades which were established for use in the wholesale markets. He pointed out, however, that the consumer grades cannot be too wide, else the producer of the quality products will be discriminated against. There must be a number of fairly narrow grades, he said, if the needs of the producer are to be met.

As to the grade designations, Dr. Black said there are two considerations: (1) whether the top grade should be labeled "A" or "No. 1", or (2) whether there should be a "super-grade" of some kind to recognize the rather small quantity of very superior product that comes on the market. Producer groups, generally, he said, are against the so-called super-grade designation.

(The State marketing officials expressed themselves practically unanimously in favor of "super-grades" in a consumer grading system. States represented at the meeting were Maryland, New York, New Jersey, Delaware, Rhode Island, Vermont, Connecticut, Ohio, Florida, Virginia, South Carolina, and North Carolina.)

Sidney A. Edwards of the Connecticut Division of Markets discussed the problem of making consumers "grade-conscious". He said that the average consumer does not know the meaning of grades; that "we must start from scratch and present material in such a way as to make consumers understand grades before we can expect to make them grade-conscious. One way is to simplify terminology, and particularly the grade designations. There are too many different types of grade terms. If we could reduce grades to an alphabetical or numerical system I think it would be a step forward. Compulsory grading laws are a handicap to the conscientious producer, rather than a help; but I am in favor of compulsory marking on retail packages."

Mr. Edwards described the recent consumer movement in Connecticut, and the organization of the Connecticut Consumers' Council which is composed of one representative of each of 12 women's organizations. The Council represents 125,000 organized women in the State.

Misbranding of Produce

Wells A. Sherman of the Bureau of Agricultural Economics discussed the topic listed on the program as the "New Policy and Position of the Food and Drug Administration and the Bureau of Agricultural Economics Regarding Misbranding of Fruits and Vegetables." Mr. Sherman explained that no new laws have been enacted on this subject but that the Secretary of Agriculture has simply authorized produce inspectors to take action in cases coming to their attention under the misbranding clause of the Food and Drugs Act.

"The procedure," he explained, "is that when we learn that a car is misbranded, we wire the receiver immediately not to move that car further in interstate commerce until the situation is corrected; and we wire the shipper that his car has been inspected and found misbranded under the Food and Drugs Act. We tell him not to divert this car or sell until the grade marks are painted out, and we ask him to wire a reply. If after giving a man this sort of notice, he diverts the car to some distant point, we would go after the car with a view to real seizure.

"The receiving trade was at first a little inclined to resent our attitude, but on the whole the receiving trade has come along with us very nicely, especially since we have developed this short informal process by which we send a telegram to the shipper and tell him to have the situation corrected. We also write warning letters to shippers, telling them that cars have been found out of grade, but that the condition had not been discovered early enough to require them to repaint. We have quite a file of warning letters now, and have reached the point where we have issued a second warning in one or two cases. Now we have some seizures, and in some cases where it is quite evident there is no intention to work with us in the matter, we are asking for forfeiture and confiscation of goods. Most of the trouble is with potatoes and basket apples. We also send copies of our warnings to our supervisors in every State."

Commission Merchants Approve

Horace Herr, representing the National League of Commission Merchants, said: "I have been agreeably surprised to have received only three complaints from receivers since the Bureau started its activities under the misbranding clause. In the main, the receivers mean to cooperate."

National Poultry Improvement

Paul Zumbro of the Bureau of Animal Industry described the organization and objectives of the National Poultry Improvement Plan, which he said sets up uniform standards for baby chicks, hatching eggs, and poultry breeding stock. After many years of preliminary work in this direction, the National Poultry Improvement Plan was developed, and accepted by the United States Department of Agriculture in 1935. An important feature, said Mr. Zumbro, is that it is a cooperative plan developed by the States. The Federal government simply cooperates with the States in its administration. Forty-one States were reported as participating. Another feature of the plan is that it is administered

in each State by an official State agency; a third is that it sets up minimum standards which are the same in all States. All features of the plan are not in effect in all States, but Mr. Zumbro reported increasing participation in this regard. (Persons interested in the detailed features of the plan may obtain them direct from Paul Zumbro, Bureau of Animal ndustry, Washington, D. C.)

Adjustment Aid to Poultrymen

W. D. Termohlen, in charge, Poultry Division, Agricultural Adjustment Administration spoke on the topic: "What Can the A.A.A. Do For Atlantic States Poultrymen?" Mr. Termohlen said that in aiding poultrymen everywhere "the authority we use most is under the section of the Agricultural Adjustment Act, relating to the diversion of products and the encouragement of domestic consumption." Under the provisions, he explained, the fact of a surplus of products must first be established, as in connection with the purchase of surplus eggs last February, and their distribution to persons on relief.

Mr. Termohlen said "it is difficult to establish a surplus on every occasion when a request may come to us to do so, but last January the surplus of eggs was so apparent there was no question about it. We are also greatly handicapped by the lack of standardization grading programs throughout the country. More or less we are required to buy on the basis of United States standards and grades. In some States there are no standards or grades, and no provision for inspection work."

The speaker also explained that the Act provides for the making of marketing agreements with producers. He said that "if the poultry people desire to have any marketing agreements, and there are enough of them to enter into such agreements, we will go along with them so far as we possibly can."

Mr. Termohlen said that in many instances it is possible for poultrymen to participate directly in the Soil Conservation Program. "We are going to spend this year a good deal of time on this phase of the work," he said, "since we feel we have a definite place in a soil conserving and soil building program."

Fresh Egg Laws

Leon Todd of the New Jersey Bureau of Markets spoke on "The Status of Fresh Egg Laws" from the standpoint of producers. Mr. Todd only recently joined the New Jersey Bureau, but he said that "after watching the fresh egg law operate in New Jersey, I am convinced that our laws in the Northeastern States are practicable and workable. One of the most important factors from the standpoint of the producer is that the retailers actually sell eggs as fresh. If the retailers are not selling them as fresh, then the producers are not getting the benefit from the fresh egg law. Under the New Jersey law, we inspect every store. Violations are decreasing as retailers become better acquainted with the provisions."

James M. Gwin of Armours' Eastern Egg and Poultry Service spoke on fresh egg laws from the standpoint of distributors. He said that "the future value of the Northeast's fresh egg legislation lies mainly in the ability of the enforcing agencies to keep quality standards high enough to protect the better grades of eggs and yet make the laws commercially practical.

"Considerable criticism has been directed," he said, "at the Northeast's quality standard for 'fresh'. However, one cannot deny that it was the result of an honest atempt to separate fresh and non-fresh eggs at the dividing point on the grading scale, which at the time it was originally drawn up was considered by all to be the most logical one."

Discussing the administration of fresh egg laws, Mr. Gwin urged that inspectors be trained to know and to judge eggs as a whole, rather than as "air-cell searchers". If there is to be cooperative compliance on the part of distributors, he said, the inspection system must "take into account normal egg merchandising conditions and make reasonable quality allowances for them."

Webster J. Birdsall of The New York Division of Markets discussed the fresh egg law from the standpoint of consumers. He said he had interviewed many housewives on the subject during the past two weeks, and that invariably the housewives when buying eggs ask for "fresh eggs". Their second interest is in size, he said; and their third, in cleanliness. In developing grade terminology, he added, "we should use words the housewife understands. There are different degrees of freshness, however, which should be taken into consideration. B and C grade eggs are good for a definite purpose; in designating the B grade, one up-state retailer uses the term 'Cooking-fresh'."

Merchandising Potatoes

C. W. White of the Maine Division of Markets submitted a paper to the conference on the "Maine Potato Branding Law and Advertising Program." The paper was read by Secretary Dwinell. It said in part:

"The Maine potato branding law insists that all containers whether package or bulk shall be truthfully marked as to the grade of the contents *** it does not restrict shipments; it does not aim to control production, and it does not make inspection compulsory. It may, and it is hoped that it automatically will, tend to assist in the more orderly and business-like marketing of our crop. ***The law in no way will directly affect production control, but the necessity for truthfully marking containers as to the actual grade will certainly exert a strong influence on producers to use good seed and careful methods of cultivation in order that the crop may be smooth and of such quality as to grade in the higher classifications. ***There are only two exemptions from the provisions of this branding law; the first permits a grower to sell his crop within the State unpacked or unmarked if he so desires and can find a purchaser; the second provides an exemption for certified seed potatoes which have already been taken care of for many years by a special law protecting the State blue tag of seed certification."

Advertising Potatoes

Discussing the Maine potato advertising program, Mr. White said that "three years ago the State Legislature appropriated a modest sum for the advertising of agricultural products. The campaign has been carried on through radio, newspapers and over advertising channels. So favorable have been the efforts that the industry has sponsored a bill in the legislature just closed in Maine which imposes a tax a tax of 1 cent per barrel (of potatoes) to be used through the Maine Development Commission for advertising purposes. Not over 20 percent of the total amount which may be derived from this tax may be used in research work to improve merchandising methods and to discover new by-product uses through chemical research. The advertising campaign includes a special design to be used on all containers which will identify the higher qualities of the product."

. Pennsylvania Marketing Plan

George M. Stuart, representing Taggart Bros. Company, described the organization and procedure whereby Pennsylvania potatoes are being marketed in 15-pound and 60-pound paper bags under "Blue", "Green" and Yellow" labels. Farmers participating in the program bring their potatoes to one of the 30 grading stations which have been set up over the State, where the potatoes are packaged, and sold through a central agency which contacts the chain stores and other buyers. The agency has agreements under which 17,000 retail stores in the State will take the complete potato crop year provided the potatoes are graded and packaged in 15-pound or 60-pound bags.

State Division Activities

Officials of the various States were asked to describe briefly the important projects under way in their Divisions.

W. T. Derickson of the <u>Delaware</u> Bureau of Markets cited Federal-State shipping point inspection; a compulsory apple marking law which requires that all closed packages of apples be marked with the owner's name and address, size of apples and grade; a law which prohibits the shipment of immature cantaloupes; the market news service, and the presenting of claims under the Perishable Agricultural Commodities Act. A cooperation law was passed in the State this year, which combines existing legislation on this subject.

Sidney A. Edwards of the <u>Connecticut</u> Bureau of Markets said there are two types of marketing legislation in that State; one dealing with the administration of voluntary State grades, and the other with the administration of consumer protection laws, such as the potato marketing law, and the fresh egg law. He cited the market news service which issues a Connectiout market bulletin three times a week to 8,000 farmers and retailers. Daily reports are issued on four of the larger markets, and alternating ones on two of the smaller markets. The market news service embraces radio, newspaper releases, and publication of the bulletin. Other activities include the distribution of labels in connection with the quality labeling program, cooperation with turkey growers in a marketing program, and educational projects in cooperation with the Connecticut Extension Service. In field work, he said, the

the Bureau always works through the County Extension Service. One of the newer developments is to the consumer project operating through the Connecticut Consumers' Council, and in which the Bureau plays a part.

New York News Teletyped

Webster J. Birdsall of the <u>New York</u> Bureau of Markets reported that this Bureau is organized to carry on five major activities:

- (1) Market News. This service has been expanded with the development of the trucker-dealer. Market reporters cover Buffalo, Rochester, Syracuse, Albany, Newburg, and New York City. All offices are connected by telephone. Each morning the reports are flashed to Albany. By noon a consolidated teletype message goes back to each office, as well as to several radio stations, and to Ithaca, reporting the New York State markets. Twelve radio stations broadcast the report daily. This is supplemented by daily reports to newspapers. There is also a Western Union teletype service to shippers who may want special reports.
- (2) Public Markets. Regional markets have been established at Albany and Buffalo; a regional market will be opened at Newburg on May 1, and another at Syracuse next fall.
- (3) Farm Products Inspection (in cooperation with the Bureau of Agricultural Economics). This covers the inspection of fruits and vegetables, and of cannery products.
- (4) Aid to Cooperatives. The New York State laws give certain powers to the Commissioner of Agriculture in assisting cooperative organizations.
- (5) Consumer Information. The objective of this service is to inform consumers by means of newspaper releases, radio, leaflets, pamphlets, and in other ways the qualities and uses of farm products in the home.

Virginia Service

- J. H. Meek of the <u>Virginia</u> Division of Markets cited as activities the market news service, inspections of various commodities (some Federal-State; some State), enforcement of a weights and measures law, an auditing service to cooperative associations, tobacco grading (now a Federal project), poultry inspection, lamb grading, a service whereby tomato canners are allowed to use a State trade-mark on labels, and a fish inspection service.
- S. W. Hiatt of the <u>Florida</u> State Marketing Bureau said the regular work in that State is about the same as that conducted by the other State Bureaus of Markets. He cited a market news service, which is "quite extensive" in Florida, covering fruits, vegetables, livestock and poultry: Several commodity sub-stations are maintained over the State during the shipping season. Mr. Hiatt cited also a semi-monthly for sale want and exchange bulletin which he said is much appreciated by growers, and through which about \$3,000,000 worth of farm products annually is exchanged.

The inspection service was cited as of much importance but not so much as it was a few years ago, inasmuch as the State Legislature two years ago passed an act creating a Citrus Commission requiring inspection of citrus and the setting up of a State inspection Department for that commodity.

Mr. Hiatt said that three field men work almost continually with

livestock interests, poultry and dairy interests, and fruit and vegetable interests. Recently, six State farmers' markets were established in Florida through authority vested in the State Marketing Board. Recently the first and only receiving point auction market was opned in the State. Another Bureau activity is the assistance given in the organizing and setting up of cooperative marketing agencies.

George E. Prince of the <u>South Carolina</u> Division of Markets reported that inasmuch as this Division is a part of the Extension Service, most of its work is educational. But there is an inspection service, and the Division also cooperates with the Bureau of Agricultural Economics in market news. The Division assists producers and cooperative organizations in selling their products.

S. B. Shaw of the <u>Maryland</u> Department of Markets said that this Department is organized under the Extension Service and is directly responsible to the State Board of Agriculture in the fields of enforcement of certain laws, market news, and inspection. Marketing studies and investigations are made by the Department of Agricultural Economics. Seed certification work is conducted by a Seed Certification Board. Much research is under way in connection with maturity standards for canning crops.

George S. Geddes of the <u>Rhode Island</u> Bureau of Markets reported that a recent addition to the work in that State is the enforcement of the Rhode Island fresh egg law.

- E. A. Flemming of the <u>Ohio</u> Division of Markets said the fruit and vegetable inspection service in that State is increasing. Cannery inspections also are increasing.
- C. W. Sheffield of the <u>North Carolina</u> Division of Markets cited Federal-State inspection and the commodity market news service as important functions. A sales clearing house on miscellaneous crops in operated. An egg law patterned after that in New Jersey is administered, and the Division expects to start soon an egg grading system.
- H. A. Dwinell of the <u>Vermont</u> Division of Markets said a major activity is general grades inspection under the "Quality Label" program. Market news information is limited, covering local markets every other week. Market news work on apples and potatoes has been expanded this year. A monthly report is issued on storage stocks of apples and potatoes. A poultry dealer licensing law was enacted at this legislative session. Under an egg law, inspectors have been authorized to seize and condemn inedible eggs.
- W. W. Oley of the <u>New Jersey</u> Bureau of Markets said that 14 auction markets on fruits, vegetables, poultry and eggs are under the Bureau's administration. Other activities include a market news service, a standardization program, a Consumer Information Service, administration of a fresh egg law, a food products inspection service, a dairy products marketing program, and administration of the Poultry Record of Performance program

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IDAHO LEGISLATURE PASSES MARKETING LAWS

Commissioner Guy Graham of the Idaho Department of Agriculture reports "several measures passed by the Legislature, which will soon become law in Idaho, that have to do with marketing.

"A \$25,000 appropriation was passed, creating a commission of three, including the Commissioner of Agriculture, with power to do what they think best in the way of marketing; also an egg grading law was passed, which is very similar to most egg laws in other States, and a big advertising program bill was passed which provides for an assessment on shipments of potatoes, onions, prunes, and apples, for the purpose of advertising these commodities."

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NORTH CAROLINA ENACTS SEVERAL NEW FARM LAWS

A pure seed law with "an additional set of seeth," a fertilizer law permitting and requiring manufacturers to give additional guarantees, and a large Board of Agriculture "assuring greater agricultural democracy" were among the agricultural enactments by the 1937 General Assembly of North Carolina.

A lime inspection law, a hog cholera law, and Bang's disease law also were enacted, and the Commissioner of Agriculture was authorized to establish a peanut test farm in Eastern Carolina by January 1, 1938.

The North Carolina Board of Agriculture was increased from five to ten members. The legislative amendment states that the Governor, in naming the Board, shall include in his appointments a practical tobacco farmer, a practical cotton grower, a practical truck farmer or general farmer, a practical dairy farmer, a practical poultryman, a practical peanut grower, and a man experienced in marketing problems.

Under the amendment the Board is given authority, instead of the Commissioner of Agriculture, in administrative matters. This is more or less a revival of the Statute of 12 years ago. The Commissioner, under the setup, will be an ex-officio member and Chairman of the Board.

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GEORGIA TO HOLD MARKETING SCHOOLS

Beginning on May 15, the Georgia Extension Service will hold a number of schools at the different farm markets over the State, for the purpose of instructing producers of vegetables, fruits, poultry, eggs, and butter in better methods of production, grading and packing.

NEW ENGLAND UNCOVERS BABY CHICK MAIL RACKET

A baby chick racket, consisting of the mailing of baby chicks to unknown persons, was recently uncovered in New England. New England postmasters received in the same mail letters from a mid-western hatchery advising that the chicks had been sent by mistake to the wrong State, and requesting that the postmasters advertise and dispose of the chicks at the best possible price, the proceeds to be sent to the hatchery. The Post Office Department and Federal Trade Commission are investigating the practice.

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FARM REAL ESTATE VALUES CONTINUE RISE

The per acre value of farm real estate, as a national average, is the highest in five years, according to the Bureau of Agricultural Economics.

The Bureau's index of value stood at 85 percent of the 1912-1914 level on March 1 this year, as against 82 on March 1, 1936, and the depression low of 73 on March 1, 1933.

The 16-percent increase since 1933 is attributed largely to increasing farm incomes which have expanded at the rate of a billion dollars a year during the past four years. It is also in part the result of relieved conditions of farm credit and of farm real estate taxes.

The Bureau also reported a 15-percent decrease in bankruptcies among farmers during the fiscal year ended June 30, 1936, as compared with the immediately preceding fiscal year. Reductions were reported for all geographic regions and for all States except Vermont, Connecticut, Indiana, Minnesota, Missouri, South Dakota, Wyoming, Utah, and California.

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PAPER MILK BOTTLES SUBJECT OF STUDY

A study of the comparative value of paper and glass milk bottles is being made by the New York State Experiment Station, New York State Departments of Health, and container manufacturers.

Dr. R. S. Breed of the Experiment Station says that while the initial cost of the individual paper container is much less than that of a glass milk bottle, the fact that the glass bottle is normally used 10 or 15 times much more than offsets this advantage. On the other hand, consumers seem to like the paper container; so much so, that about 25 percent of the milk sold in quart or smaller size containers in New York City is now being delivered in paper containers.

The Experiment Station will go into the matter of possible bacterial contamination in containers, and ascertain needed sanitary standards.

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A "CONNECTICUT Crop and Livestock Review. 1936" has just been published by Connecticut Department of Agriculture, Hartford.

VERMONT TO INCREASE FARM MARKETING WORK

Director H. A. Dwinell of the Vermont Division of Markets reports that the appropriation for that Division has been increased from \$8,800 to \$13,500 for each of the next two years, including the sums appropriated for enforcement of the apple law which requires compulsory marking and branding of packages of fruit offered in retail trade, and the \$3,000 earmarked for enforcement of the egg law.

Dwinell says "we anticipate some enlargement of market reporting, enforcement of the grading law, and extension of services under the added appropriations. One measure (passed by the 1937 Legislature) named the Commissioner of Agriculture as Director of Standards and transferred the Weights and Measures Division from the Department of Industries to the Department of Agriculture.

"Another measure requires licensing of all live poultry dealers by the Department of Agriculture."

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FARM TENANCY COMMITTEE REPORT IS PUBLISHED

Publication of the full Report of the President's Special Committee on Farm Tenancy was recently announced by Secretary of Agriculture Henry A. Wallace, chairman of the Committee.

Stressing the need for a broad attack on agricultural insecurity, the Report calls attention to the problems of farm tenants, share croppers, agricultural laborers, submarginal farmers, and other groups associated with the growth of an insecure type of farm tenancy. Recommendations of the Committee include proposals for rural rehabilitation, submarginal retirement, and a new Federal program to help tenants aequire farms of their own. State legislation to improve farm tenancy conditions is urged.

Copies are obtainable, at 30 cents each, from the Superintendent of Documents, Washington, D. C.

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CALIFORNIA REPORTS BETTER HONEY PROSPECTS

The prospect for the 1937 California honey crop has been considerably brightened by heavy growth of honey producing plants, according to the California Department of Agriculture. Shipment of package bees and queens from California to other States and to Canada is reported at its peak. California beekeepers did more than \$150,000 worth of business last year; they will do better this year, the Department says.

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NEW JERSEY URGES MILK PRODUCTION CONTROL

New Jersey dairymen were urged this week by the Extension Service in the State to make "a supreme effort to control production during May and June" because of an expected glut of fluid milk markets. Butchering of low-producing animals was recommended,

THE WEEK IN BRIEF

A RISE of 2 points in the index of the general level of prices received by farmers during the period March 15 to April 15 was reported by the Bureau of Agricultural Economics. The April 15 index was 130, compared with 128 on March 15, and with 105 on April 15 a year ago.

ABOUT NORMAL YIELDS of wheat must be obtained in the Northern Hemisphere this year in order to check any further decline of the world wheat supply, the Bureau of Agricultural Economics said in a summary of the wheat situation. World carry-over stocks have been reduced to below normal by three successive years of small production. Yields were unusually small last season.

CALIFORNIA DEPARTMENT OF AGRICULTURE completed plans for the opening of 12 seasonal plant quarantine stations on California-Nevada boundary points.

ILLINOIS FARMERS were urged by the Illinois Extension Service to feed February and March lambs all the grain and legume hay they will eat, so that the lambs will be fat and ready to sell at weights of 75 to 85 pounds by June, when the summer decline in prices usually sets in.

A LIST OF FRUITS especially adapted for sale at roadside stands, and arranged in order of ripening from June 1 to late fall, was issued by the New York Experiment Station at Geneva, N. Y. The list is intended also as a guide to consumers as to the best varieties of fruits in season different times of the year.

THE NEW YORK ASSEMBLY has repassed the Rogers-Allen Milk Bill after amending it so that it affects only producers. The original bill would have paved the way for retail price fixing. Under the bill as passed, distributors are eliminated and producers alone will bargain for prices.

THE WATERMELON is no longer a southern luxury, since science has now made it a New York State crop, said Professor Paul Work of the New York College of Agriculture. The watermelon may even rival the musk-melon in importance in the State, he said, since a number of varieties will mature as early as the standard varieties of muskmelon.

CANCELLATION and revocation of the license held by Theodore Krumm Inc., widely known citrus shipping concern of Redlands, California, was ordered by the California Department of Agriculture. The firm had refused to make repraration to three Riverside County growers.

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SOME REPORTS recently issued by the Bureau of Agricultural Economics are: "The Handling, Grading, and Uses of Rice"; "Marketing Imperial Valley Cantaloupes, 1936 Season"; "Summary of the 1937 Celery Season in Florida", "Marketing Maine Potatoes, 1936-1937 Season"; "Cost of Production of Potatoes" (Data from Studies in 35 States); "Hogs in Belgian Agriculture"; "Marketing Western New York Celery, 1936 Season".

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NORTH DAKOTA ENACTS CREAM GRADING LAW

A Cream Grading Law enacted by the North Dakota Legislature will go into effect in that State on July 1. It provides for the buying of all cream offered for sale in North Dakota, on the basis of definite grades designated as "Sweet Cream", "Grade No. 1", and "Grade No. 2." Cream which is unfit for human consumption must be designated as "Unlawful Cream."

The definitions are that "'Sweet Cream' shall consist of fresh, clean, fine flavored cream, the acidity of which, calculated as lactic acid, shall at no time have exceeded two tenths of 1 percent in cream; "Grade No. 1' shall consist of cream that is clean, free from undesirable odors and flavors, and shall be of such quality that it will make butter scoring 90 or above, and 'Grade No. 2' shall consist of cream that is too acid to grade as No. 1 and/or contains undesirable odors and flavors in a moderate degree."

Refusal by cream buyers to grade cream is punishable by suspension of licenses and by heavy fines.

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CONNECTICUT RUNS DOWN BABY CHICK "RACKET"

The Connecticut Department of Agriculture this week "black-listed" the O-Hi-View Poultry Farm of Leavenworth, Indiana, for selling diseased baby chicks to Connecticut poultrymen. Laboratory tests showed the chicks heavily infected with pullorum disease.

The method used by the hatchery is to send a consignment of chicks C.O.D. to an alleged mistaken address. The postmaster then receives a letter, usually by air mail, advising him that the chicks were sent by mistake to the wrong address and for him to advertise and sell the chicks to best advantage as the distance is too great to have the chicks returned.

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FLORIDA COMMISSIONER ELECTED VICE-PRESIDENT OF ASSOCIATION

The election of Nathan Mayo who is the Commissioner of Agriculture in Florida, as Vice-President of the National Association of Commissioners, Secretaries and Directors of Agriculture, was announced this week by A. A. Brock, President of the National Association. Mr. Brock is Director of the California Department of Agriculture. The election of Mr. Mayo was held by mail among executive members of the

Association following the resignation of O. E. Van Cleave of Nashville, Tennessee, as Vice-President.

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CHANGES PROPOSED IN BUTTER QUALITY GRADES

A series of public conferences to be held in June with producers, consumers and the trade, to consider proposed consumer grades for creamery butter and proposed changes in grades for trade use was announced this week by Dr. A. G. Black, Chief of the Bureau of Agricultural Economics.

An important change in the proposed grades is the omission of the score card method of determining butter quality. It is proposed instead to adopt a more definite and direct method of rating flavors, and defects in the factors of body, color, and salt. The revision also contemplates United States score grades and consumer grades for creamery butter.

Conferences have been scheduled tentatively to be held at Los Angeles, Calif., June 8; San Francisco. Calif., June 11; Seattle, Wash.. June 15; Portland, Ore., June 16; Salt Lake City, Utah, June 19:; Lincoln, Nebr., June 21; Ames, Iowa, June 22; Chicago, Ill., June 23, and New York City (date indefinite).

Detailed specifications of the proposed grades are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

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PENNSYLVANIA WARNS AGAINST PRODUCE SWINDLERS

Secretary French of the Pennsylvania Department of Agriculture has issued a warning to farmers against persons who are buying hay, potatoes and other produce with promise to pay after the products are resold. Five such operators were recently arrested after swindling farmers in central Pennsylvania out of products valued at \$5,000.

Secretary French reports that a bill which has passed the House of Representatives and is now in the Senate would require the licensing and bonding of all commission merchants and produce dealers who buy from farmers on other than a cash basis.

Warnings have been issued also to postmasters in Pennsylvania in connection with the baby chick mail racket recently uncovered in New England.

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NEW YORK LEGISLATES ON CLOSED PRODUCE PACKAGES

An Act was passed in New York last week amending the Agricultural and Markets Law by requiring closed packages of fruits and vegetables shipped into that State to be marked in terms of official standards commonly known as the United States grades.

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UNITED STATES STANDARDS for Honey Dew and Honey Ball Type Melons, Cantaloupes, Watermelons, California and Arizona Oranges, and California and Arizona Grapefruit were recently announced by the Bureau of Agricultural Economics.

LARGE NEW JERSEY ASPARAGUS PACK

Canning and packing houses will use a large portion of New Jersey's asparagus crop this year, the New Jersey Bureau of Markets has announced. Last season about 5,764,200 pounds of asparagus were canned or frozen. This year, the Bureau says, there will be an increase in the amount purchased to more than 10,000,000 pounds, or one-third of the total production in the State.

The Bureau has announced also an experiment at the Swedesboro auction market in the wholesaling of asparagus to competitive binders. Heretofore, it is stated, "the transportation to Philadelphia and New York has been a heavy item of expense to the grower."

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VEGETABLES MAY BE PRESERVED IN LOCKERS

Vegetables may be successfully preserved by freezing, without special facilities, in any cold storage plant where rooms can be held at zero F., it was recently announced by the Bureau of Plant Industry, following tests of several varieties of sweet corn, peas, grean beans, and lima beans. The results of the tests, the Bureau said, give added proof to the feasibility, under adequate supervision, of community freezing storage rooms in which families store vegetables, fruits and meats in individual lockers. The vegetables studied are those grown principally in the East, but it was stated that similar results should be obtained elsewhere.

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NEW JERSEY DEALERS WANT POTATO GRADING LAW

New Jersey Department of Agriculture reported this week that at a recent meeting of potato dealers at Trenton, the concensus of those present was that New Jersey should have a mandatory grade law for potatoes, and that, if this is not practical, there should be shipping-point inspection to insure the quality of the potatoes shipped. The group also endorsed the use of United States grades.

Citing a recent case in which a farmer lost a carload of potatoes by government confiscation because of misrepresentation in violation of the pure foods law, Fred Brunner, Jr., of the New Jersey State Potato Association, said that shipping point inspection would have averted the loss. Standardization also would eliminate rejection of shipments and consequent losses to growers, he added.

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NORTH CAROLINA INVESTIGATING FRAUDULENT SCALES INSPECTORS

North Carolina Department of Agriculture has launched an investigation of persons who are going about the State collecting fees as "weights and measures inspectors". C. D. Baucom, in charge of the work work, says "it is unlawful (even for legitimate inspectors) to collect any inspection fees," and that "no fines may be collected by any officer or inspector until the defendant is tried, convicted and fined by the court."

MONEY COINED IN OHIO CHICKEN COOPS

Eleven dollars out of each \$100 of farm income in Ohio last year was "coined in the chicken coops," according to C. M. Ferguson of the Ohio Extension Service, by way of emphasizing the importance of the poultry industry in that State.

Quoting records of 96 poultry farms, Ferguson says that only 2 lost money last year, and that these 2 had an average production record of 105 eggs per bird per year. There were three flocks which averaged 185 eggs per bird, and the owners of these earned a labor income of more than \$2 per bird. Twenty-seven flocks returned a labor income of from \$1 to \$2 per bird

High production of fall and winter eggs, and freedom from disease are factors pointed out by Ferguson as having a great influence on flock profits.

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ALL REGIONS SHARE IN FARM INCOME GAINS

Gains ranging from 1 to 29 percent in farmers' cash receipts from marketings of principal farm products during the first quarter of this year as compared with the corresponding period of 1936 were reported this week by the Bureau of Agricultural Economics for various geographic regions.

Receipts were less in some of the States in the North Atlantic and West North Central regions than in the first quarter last year, but in most of the West North Central States larger Government payments to farmers more than offset smaller receipts from sales.

Receipts from principal products make up about 93 percent of the income from all products. The total cash income from marketings for the first quarter was \$1,739,000,000 or 16 percent more than for the first three months of 1936.

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POULTRY THEFTS STOPPED BY TATTOO SYSTEM

How thieves avoided tattooed poultry last year was reported this week by the Connecticut Department of Agriculture which said that "not a single loss was reported in the flocks totaling some 300,000 birds that were tattooed." On the basis of this record, the Department is urging Connecticut poultrymen to tattoo young birds before the stock is put out on range.

The tattoo program in Connecticut is under the joint supervision of the Connecticut State Poultry Association, the Connecticut State Police Department and the Connecticut Department of Agriculture. The State Association issues the tattoo plier, number ink and warning sign and the State Police and Department of Agriculture maintain a complete record of all flocks that are tattooed. It has been learned that clearer markings are made when the birds are young.

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AN INCREASE of nearly 70 percent in consumption of fats and oils by the drying-oil industries in 1936 as compared with 1932 was reported this week by the Bureau of Agricultural Economics.

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CATTLE, HCG, LAMB
SITUATIONS REPORTED

The Bureau of Agricultural Economics said this week that cattle prices during the remainder of this year are likely to continue to average higher than in 1936; that unusually large storage stocks of hog products and the high prices of corn compared with prices of hogs feature the current hog situation, and that the early lamb crop is somewhat smaller this spring than last with marketings delayed by unfavorable weather and feed conditions.

An advance in prices of the better grades of slaughter cattle in late summer and fall was forecast on the basis of small marketings of grain-fed cattle in prospect for the remainder of 1937. The Bureau added that the seasonal decline in prices of the lower grades of slaughter cattle may be less than usual, because of the relatively strong demand for meats and hides, and a prospective increase in demand for replacement stock if feed crop conditions are above normal.

As to hogs, it was reported that the increase in storage holdings on May 1 compared with a year ago was equivalent to the products obtainable from 2,700,000 hogs of average market weight, and that "the larger-than-average stocks of pork and lard during the past winter apparently prevented the usual spring advance in hog prices." An earlier-than-usual marketing of last fall's pigs was noted.

The Bureau saw in prospect relatively small marketings of new crop lambs until after June, and stated that the seasonal decline in prices of such lambs probably will be later than usual this summer. Sheep and lambs in the Western States generally were reported to be in good condition. Possibility of a larger-than-usual increase in marketings in the late lamb marketing season after July was suggested.

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NORTH CAROLINA BERRY MEN CASH ON UNIFORM PACKS

The North Carolina Department of Agriculture reported this week that uniform packing of strawberries in the eastern part of the State this season raised the price to growers by about 30 percent. In packing experiments, key men in the strawberry section were asked to grade their berries, using not only United States and North Carolina standards, but trade and competitive standards as well. Citing examples of results, the Department said that one farmer received 80 cents a crate more for berries packed to competitive standards than for berries packed to "his own methods"; another, using Federal and State standards topped the market \$3.50 a crate, or \$1 above the average of the market.

MINNESOTA SEES SMALLER TURKEY_CROP THIS YEAR

Factors in the turkey situation "point to a noticeable reduction in the size of the oncoming turkey crop," it was announced this week by the Minnesota Extension Division. Factors cited by the Division were the poor demand for poults and turkey eggs, the high price of feed, and the disposal of many breeding flocks. Turkey eggs, the Division said, "have become a drug on the market".

Turkey producers in the State are being urged to keep feed costs down by utilizing home produced and locally mixed feeds, and to avoid hatching turkeys in late June or July since May hatched birds fit much better into Minnesota conditions and can be put on the market in time for Thanksgiving. Profit will lie also in the reduction of excessive death loss, the Division said.

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NEW JERSEY PRODUCERS AND DISTRIBUTORS MEET

More than 200 representatives of New Jersey producers, processors and distributors met at Trenton this week to promote cooperation among the farming, distributing and processing organizations of the State. The following aims were listed: (1) to publicize New Jersey food products; (2) to promote their consumption; (3) to encourage new processing plants and new food products; (4) to assemble data on food consumption and family incomes; (5) to promote consumer grades and their identification by using the State map outline; (6) to encourage industry organization and aid local chambers of commerce to promote fair trade practices, and (7) to adjust the food industry to a social welfare era.

One of the speakers was Dr. L. V. Burton, editor of "Food Industries". He said that quick-freezing and improved canning methods are two increasingly important outlets for New Jersey farm products. He prophesied that "by 1940, new methods of canning will be available to produce canned foods which will be virtually indistinguishable from fresh or frozen produce."

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NEW YORK WELDING CHAIN OF MARKETS

Another link in a chain of first and secondary markets was forged in New York this week with the opening of the Lower Hudson Regional Market at Newburgh. Other links include markets at Buffalo and Rochester. A secondary market is to be opened at Poughkeepsie about June 1, and a market under construction at Syracuse is scheduled to open next fall.

Commissioner Ten Eyck of the New York Department of Agriculture and Markets reported that the Newburgh and Poughkeepsie markets were financed jointly by New York State and the Public Works Administration. The Newburgh market provides direct rail connections and facilities for farmers' trucks, commercial truckers, jobbers' stores, shops, restaurant and offices as well as accommodations for buyers.

"Through our system of regional markets," Commissioner Ten Eyck said, "we are modernizing trading facilities for our producers - making it possible and convenient for them to sell their products quickly and at prevailing market prices."

NEW WAYS TO MARKET POULTRY BEING DEVELOPED

Increasing quantities of poultry are being drawn and packaged at country shipping points in order to reduce transportation and handling costs and to put a more attractive product on the markets.

Ben H. King, Colorado director of markets, reported this week that a large middlewestern cold storage company has been engaged in this venture since early last fall. There is no question, he said, but that the quality and flavor of the meat is greatly improved by drawing immediately after dressing and then quick-freezing the product before it is put in storage. The heart, liver and gizard are wrapped in parchment paper, and re-inserted in the body cavity. All birds are government graded and examined for disease. The company reports that "consumers are snapping up these attractive packages at fancy prices." The birds are wrapped in cellophane.

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CALIFORNIA HOLDS MILK MARKETING PLAN HEARING

A public hearing was held in San Francisco this week, by the California Department of Agriculture, to receive testimony upon a proposed revised stabilization and marketing plan for fluid milk sold by producers to distributors in the San Francisco marketing area. Under the plan, four classes of milk would be written into the marketing agreement. For class 1 milk, distributors would be required to pay producers supplying the area at a rate of 72 cents per pound milk fat contained in fluid milk delivered f.o.b. distributors' plants. For each of the other three classes lesser prices are provided.

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CONSUMERS NEED MORE MONEY FOR FOOD

"More money for food, and more effective application of present knowledge of food and nutrition to food selection problems, are necessary if higher levels of nutrition are to be more generally attained by low income city families," Dr. Hazel K. Stiebeling of the Bureau of Home Economics said at a recent round table conference on Nutrition and Public Health in New York.

Summing up the results of a recent Bureau study on the diets of wage-earners and low-salaried clerical workers in North Atlantic, Southern and Pacific Coast cities, Dr. Stiebeling said:

"Major differences in the amount and kind of food purchased by city families can be attributed to differences in the level of expense for food. With increasing expenditures for food, there is a marked increase in the total amount of all food purchased. The increases are much more marked in eggs, meats, milk, butter, and the succulent vegetables and fruits than in grain products, potatoes, dried legumes, and fats other than butter. This unequal distribution of the increases in food purchases with increasing expenditure for food results in more food for higher income groups, and in general, food richer in high-quality proteins, in minerals and in vitamins. The study showed that at spending levels between \$1.50 and \$4.50 per week per food-cost unit, some families managed to get 'Grade A' diets, some had 'B' diets, and others had 'Grade C' diets."

FARM LAND VALUES

By Henry A. Wallace (Excerpts from a radio address)

During the past year, land values have gone up much more in the eastern cotton and tobacco sections of the United States than in the corn and wheat regions. In 1936 eastern cotton and tobacco land averaged about 96 percent of pre-war whereas in 1937 it averaged about 103 percent. The western corn belt stayed steady at 71 percent of pre-war in both years while the eastern corn belt advanced four points from 72 percent of pre-war to 76 percent. The western cotton belt like the western corn belt has not made much advance.

Looking over the entire United States, I see no evidence of a disastrous speculative land boom getting started except possibly in some of the tobacco States. I hope farm income continues to increase but, if it does, I hope city people do not drag farmers into a land boom as they did from 1915 to 1920. Thousands of people have not finished paying for that speculative spree. The advance in land values between 1915 and 1920 caused millions of headaches between 1920 and 1935. Mortgages were doubled, expensive schoolhouses were built and taxes went up to two and even three times what they were previously. It is important to remember that higher land values almost inevitably mean a heavier interest and tax burden.

It seems to me that when farmers' incomes increase it would be well for them to use the money to improve their living conditions — to build better homes, better barns, better physical improvements, rather than to bid up the prices of farm lands in an effort to add to their land holdings...I hope that land values more and more will represent capitalized earning power and not speculative prospects. Somehow I doubt if it is a wise thing for most farm land to sell for more than 20 times the net rent after paying taxes.

On the whole, I think it is a good thing that farm land values in the United States in the spring of 1937 are only 85 percent as high as they were before the World War and only 16 percent higher than at the bottom of the depression in 1933. If farmers get their fair share of the national income during the next ten years, farm land values will and should advance. But I hope they never advance beyond a fair relationship with farm income.

Farmers and especially young farmers do not want a repetition of the 1920 foolishness. They want stability and security. They want to go ahead steadily year after year, feeding and clothing the people of the nation, and getting a fair price for so doing. They want to make their money by farming and not by speculating in land.

I hope the United States Department of Agriculture and the Land Grant Colleges can cooperate with these young farmers in building for security and that we shall never again be afflicted by the excesses of a land boom.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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May 26, 1937

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NEW YORK GRADING LAW
HAS FAR-REACHING EFFECT

Interest in the produce trade and among Federal and State marketing officials centered this week in the recently enacted New York State law requiring that fresh fruits and vegetables coming into the State must be graded and the packages marked, in accordance with United States grades or classifications. It was understood that the law had been scheduled to go into effect on June 1, but an unconfirmed report is to the effect that the New York Department of Agriculture, which has been charged with its enforcement, will postpone the effective date until August 1 in order to allow a two months' period during which shippers may become familiar with its provisions.

A feature of the situation is that the New York Legislature made no appropriation at the time of enactment of the law, for its enforcement. As this issue of "MARKETING ACTIVITIES" goes to press, there is no information as to what, if any, appropriation will be made. Another feature is that the law applies to both open and closed packages of fruits and vegetables coming into the State, but makes no corresponding requirements as to products grown and shipped within the State.

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CALIFORNIA SAYS SMALL CONTAINERS POPULAR

Smaller containers are becoming increasingly popular with producers and shippers of California fruits and vegetables, according to the California Federal-State Market News Service reporting "a marked tendency for standardization toward definite sizes for specific commodities."

Two common containers for artichokes are cited - the standard sized box and the half-box. The old celery crate, which was 22 inches deep, 24 inches wide, and 20 3/8 inches long is said to have been replaced in the San Francisco and Los Angeles markets by the half-crate, which "enables retailers to purchase celery in several sizes to suit the needs of the trade and also insures a fresher supply."

Smaller sized containers for potatoes are being used - the 25 pound sack as a family-size package, for instance. New potatoes, it is said, are generally packed in the Los Angeles lug box averaging 35-38 pounds net. Growers of rhubarb, in Alamaeda County and other sections near San Francisco, are reported to be using almost exclusively a container 4 7/8 inches deep, 11 inches wide, and $20\frac{1}{2}$ inches long.

MISSISSIPPI TO HOLD CREAM GRADING SCHOOLS

Mississippi Department of Agriculture announced this week the holding of a second series of cream and milk grading schools. Cream grading being new in Mississippi a year ago, a series of schools was held at which prospective cream graders were given lectures and demonstrations in the testing of cream for sediment and acidity, at the conclusion of which licenses were issued to those who qualified. One hundred fifty-seven graders licenses were issued immediately after the series of schools, which was increased to a total of 194 during the year 1936.

School sessions this season will be open to farmers, dairymen, and milk and cream buyers.

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GOVERNMENT GRADING BOOSTS BEEF SALES IN SEATTLE

A little more than two years ago the City of Seattle, Washington, passed an ordinance making it mandatory that all beef, lamb and mutton sold in the City be graded according to Federal standards under supervision of a Federal grader and that the meat be identified for class and grade in retail markets.

Opponents said that the requirement would make it impossible to sell low-grade beef except at a sacrifice and that meat consumption would decrease. But a recent survey revealed that instead of declining, the apparent consumption of beef in Seattle has increased 15 to 20 percent during the last two years.

In a recent canvass of retailers in Seattle, including a large number who handle the lower grades of meat, it was found that 57 percent favored continuance of the ordinance, and that nearly 100 percent favored some restriction on the qualities of meats handled by retail dealers. Practically all hotels and restaurants in the city favor the meat grading feature of the Seattle ordinance.

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NEW TECHNIQUE FREEZES POULTRY "INSIDE-OUT".

Development of a new way to quick-freeze poultry - from the inside out - was recently announced in the trade press. The fowl is drawn, a paraffined tube is thrust longitudinally through the chicken, and the edible giblets are replaced in the internal cavity together with a small quantity of water. Both openings are closed and a brine is passed through the tube. By this system a 4-pound chicken is frozen in 30 to 35 minutes at temperatures slightly below zero.

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CONNECTICUT GROWERS PLAN FEWER TURKEYS

Connecticut Department of Agriculture announced this week that turkey producers in Connecticut are planning a 3 percent reduction in the turkey crop this year. The total output in the State is not large, but farmers' intentions to reduce co-incide with similar plans in other States.

PENNSYLVANIA RESTRICTS IMPORTS OF CATTLE

New regulations governing the admission of livestock into Pennsylvania were announced this week by Secretary J. Hansell French of the Pennsylvania Department of Agriculture. They are that "all cattle over six months of age, except as otherwise provided in these regulations, to be brought into Pennsylvania must have come directly from Bang's disease-free certified herds. The Bang's disease free certified herd must be of standard equal to that of the Pennsylvania Bang's disease free certified herds; that is, all animals in the herd must have been negative to at least two repeated blood tests covering a period of at least one year using all dilutions, 1-25; 1-50; 1-100 and 1-200.

"Such cattle must be tested for Bang's disease with negative results within 30 days prior to shipment into Pennsylvania and must be accompanied by health certificate, tuberculin test chart and Bang's disease certificate approved by the proper livestock sanitary official of the State of origin. The blood test certificate shall contain tag numbers, registry names and numbers for identification of each animal shipped, name and address of owner, consignor and consignee and shall be forwarded to the Bureau of Animal Industry, Pennsylvania Department of Agriculture at Harrisburg so as to reach Harrisburg before arrival of cattle at destination."

The new regulations are said to be "a step forward in disease control."

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NEW YORK FINDS SEED PACKETS "UNSATISFACTORY"

At least 40 percent of the packets of flower seed submitted to the seed testing laboratory at the State Experiment Station at Geneva, New York, this spring for purity and germination tests have been found to be partially or entirely unsatisfactory for planting purposes because so few of the seeds germinated strongly enough to produce plants or were entirely dead, it was stated this week by Prof. M. T. Munn head of the seed investigations at the Station.

Professor Munn said that more than 500 packets of flower seeds were purchased in the open market this spring by seed inspectors acting under the provisions of the recent amendment to the State seed law applying to flower seeds. He declared that "poor or worthless packets do not come from the better class of seedsmen or from the large chain or department stores, but from a relatively small group of seed packeters who are evidently interested only in packeting something to sell at a profit regardless of quality."

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LAND BANK MORTGAGE CREDIT RISE REPORTED

Mortgage credit extended by the 12 Federal land banks and the Land Bank Commissioner to finance the purchase of farm land aggregated \$15,664,000 in the first quarter of 1937 compared with \$13,998.000 in the first quarter of 1936, according to the Farm Credit Administration. The number of farms bought and financed in the first quarter this year was 5,668 compared with 4,962 in the corresponding period of 1936.

A NEW DRIVE to increase the consumption of milk in New York was launched this week by New York Department of Agriculture with the election of Jerry D. Badgley of the Boulevard Dairy Company, Albany, as chairman of the Technical Advisory Board of the Bureau of Milk Publicity. Earl B. Clark of North Norwich was elected as vice-chairman. The board fixed June 2 as the deadline for advertising agencies and others to submit plans for advertising milk during the current year.

THE SMALLEST UNITED STATES CARRYOVER OF WHEAT since 1929 was forecast by the Bureau of Agricultural Economics. The Bureau said that the carryover of old crop wheat on July 1 would be less than 100,000,000 bushels, and possibly only 90,000,000 bushels. The small carryover was attributed mainly to four successive small crops. It was compared with the all-time record high carryover of 378,000,000 bushels on July 1, 1, 1933. The Bureau pointed out that prior to the accumulation of large surpluses in this country, the carryover of wheat on July 1 averaged about 115,000,000 bushels each year.

CALIFORNIA DEPARTMENT OF AGRICULTURE declared effective June 1 a stabilization and marketing plan for fluid milk in the San Francisco marketing area. The plan provides that distributors operating within the area shall pay producers supplying the area at a rate of 72 cents per pound for milk fat contained in class 1 milk. Action followed a public hearing at which there was no testimony offered in opposition.

The HIGHEST APRIL FARM INCOME IN SEVEN YEARS was reported by the Bureau of Agricultural Economics. It totaled \$659,000,000 from marketings and Government payments compared with \$707,000,000 in March, and with \$530,000,000 in April last year. Farm income in April 1930 totaled \$676,000,000. The comulative total of income from January through April this year also was the highest in seven years.

DEPLETED RANGES IN NORTH DAKOTA are going to have a summer "vacation" this year on ranches where stockmen adopt the deferred grazing practice of the 1937 AAA range program, it was announced at North Dakota Agricultural College. The AAA payment for deferred grazing practice is 35 cents a month for each animal unit of grazing capacity on which grazing is deferred. Stock must be kept off the range for the full period designated - May 1 to August 31, inclusive.

FOR THE SECOND YEAR IN SUCCESSION a poor potato crop is expected in Argentina, the Bureau of Agricultural Economics announced. Acreage was much reduced this season because of the high price and shortage of seed potatoes at planting time last November, and because of difficulty of obtaining seed free from virus disease. Growing conditions also have been unfavorable.

"THE FARMER LOOKS AHEAD" is the title of a Farmers' Bulletin issued by the Bureau of Agricultural Economics. The Bulletin discusses "four yardsticks for measuring future farm production - domestic consumption, foreign demand, soil conservation, and farm income." It attempts to answer the question: "How much should farmers produce?" Copies are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

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June 2, 1937

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LOUISIANA COURT VOIDS PRODUCE DEALER LAW

The Louisiana State Supreme Court "has voided the law which provided for the licensing and bonding of dealers in farm produce," it was announced this week by the Agricultural Committee of the New Orleans Association of Commerce.

In a notice to shippers of farm produce to New Orleans and other central markets in Louisiana, the Association said that "without any restrictions being placed on the purchase and sale of farm commodities there may be difficulty in securing proper payment for goods shipped to unreliable dealers. In the central markets there are a number of responsible merchants to whom shipments may be made without difficulty, but farmers should be careful in making shipments to unscrupulous dealers. Every safeguard possible should be placed about a shipment in order to secure a proper accounting for the products."

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NORTH CAROLINA OPENS COOPERATIVE HOG MARKETS

North Carolina Extension Service announced this week that "with 12 markets already established and 2 more under consideration, cooperative hog marketing in Eastern North Carolina is proving a boom to swine growers.

"Working with county agents, the growers haul their hogs to a central loading point on prescribed days for shipment to Northern markets in carload lots.

"Prices this spring have been good, and farmers generally have been pleased with the cooperative plan. This is the first year that hogs have been shipped on a large scale cooperatively.

"Markets are operating in New Bern, Tarboro, Plymouth, Greenville, Washington, Shawboro, Warsaw, Four Oaks, Burgaw, Elizabethtown, Lumberton, and Rowland."

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ILLINOIS FARM VALUES RAISED BY TERRACING

Illinois Extension Service reported this week that farmers cooperating in terracing and other erosion-control and soil-conservation practices estimated that land values are increased by as much as \$10 to \$25 an acre as a direct result of terracing that costs only \$1.50 to \$6 an acre. Some farmers have reported that terracing had increased the value of their land by as much as 10 to 33 percent.

GEORGIA DEPARTMENT CITES TRUCKER'S COSTS

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Georgia Department of Agriculture, studying marketing costs, cites the case record of a trucker who has been "hauling to the Atlanta and other markets for ten years." The trucker had on a load of round-head Copenhagen Market cabbage. He said he paid 75 cents a hundred for the cabbage at the field in South Georgia, "based on selling them for \$1.50 per hundred in Atlanta." Instead, he was selling large lots lots for \$1.25, and expected to average on the load about \$1.35 per hundred.

The trucker computed shrinkage on the load at \$5.; operating expense, including gas, oil and expense of driver at \$26.; lot rent, \$1.; depreciation and tires, \$3.50 - a total of \$40.50. The load of cabbage (5 tons) cost \$75. Total cost was \$115.50 against total selling price of \$135. This left a profit of \$19.50.

The trucker said that a brother "brought in a load of Florida cabbage recently and sold it for \$21.85 less than it cost."

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MINNESOTA COMPARES PRICES, VALUES OF LIVESTOCK FEED

A comparison of prices to aid farmers in selecting feed has been been worked out on the basis of feeding value by the Minnesota Extension Division. Corn in most counties of Minnesota was reported selling at or near \$1.30 per bushel. From the standpoint of feeding value for most classes of livestock, all other grains are cheaper in comparison, says the Division.

It is stated that "when shelled corn is selling for \$1.30, other grains are economical feeds for cattle sheep and horses when selling at the following prices: ground wheat, \$1.40 per bushel; ground barley, \$1.06; ground oats, \$0.64; ground rye, \$1.23."

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NEW YORK POULTRYMEN HURT BY HIGH FEED PRICES

The biggest obstacle for the New York poultrymen continues to be the high price of feed as compared with egg and poultry prices, according to the New York College of Agriculture. Though feed prices have declined, they have not gone down as much as egg prices, it is stated. Commercial hatchings also have been reduced, the College says, pointing out that up to May 1, 6 percent less eggs were set and 3 percent less chicks hatched than a year ago. Reduced hatchings will mean about one-fourth fewer chicks hatched this year than last.

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AN ALYSIS of the business operations of cooperative cotton gins in Oklahoma, 1933-34, has been issued in a Bulletin by the Farm Credit Administration. During the 1933-34 ginning season there were 95 cooperative cotton gin associations in Oklahoma. Their gross sales totaled about \$8,310,000, or an average of nearly \$87,500 per association. They ginned 260,717 bales of cotton, handled 83,425 tons of cottonseed and 115,796 bales of lint cotton, and sold more than \$400,000 worth of farm supplies.

ILLINOIS SEES PROSPECTS FOR NEW FARM BUSINESS

The production this spring of more than 36,000,000 tomato plants for transplanting, in Pulaski County, Illinois, is considered by the Illinois Extension Service as possibly the beginning of a new agricultural industry for Illinois. The bulk of the plants was contracted by members of the Indiana Tomato Canners' Association with smaller amounts going to northern Illinois, Michigan, Wisconsin and Ohio. The plants — enough to set 15,000 acres of tomatoes — were grown on 150 acres. About 5 pounds of seed were planted to the acre, with each pound containing about 100,000 seed. The seeds were planted an inch apart in rows one foot apart. Leading States in the commercial production of tomato plants at present are Georgia and Tennessee.

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CONSUMERS ARE SAID TO WANT LIGHTWEIGHT TURKEYS

Minnesota Extension Division reports that "a survey made by a group of national chain stores showed that about 73 percent of the buyers questioned wanted turkeys weighing between 8 and 13 pounds. Only about 5 percent of those questioned wanted turkeys weighing 18 pounds or more. Consumers liked hens best, probably because they are smaller and more desirable than toms of the same weight. Marketing of half-turkeys was unpopular with both the consumer and the stores, for half-birds do not keep well, are hard to stuff, and the consumer would rather see a whole bird, well cooked and browned, carried to the table."

RESETTLEMENT ADMINISTRATION HELPS REDUCE FARMERS' DEBTS

The debts of 55,576 farmers have been reduced \$47,352,521 or 25.9 percent, in the 20 months ended April 30, it was announced last week by the Resettlement Administration. Debts of these farmers before adjustment were \$182,827,530; after adjustment \$135,475,009. As a result, nearly \$3,300,000 in back taxes were paid local governments.

Of the 55,576 cases, 32,425 were adjusted through outright debt reduction; 14,938 through extension of time, 909 through substantial interest rate reduction, 3,736 through a combination of methods, and 3,568 through unclassified methods.

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AMERICAN COTTON CARRYOVER TO BE SHARPLY REDUCED

A reduction of about 1,000,000 bales in the world carryover of American cotton on August 1 this year compared with last was forecast this week by the Bureau of Agricultural Economics. The Bureau added that "American cotton is now more favorably priced in relation to foreign growths, from the standpoint of encouraging foreign spinners to use larger proportions of it, than for many months." The decreased carryover in prospect was based upon an increase of about 1,000,000 bales in world consumption of American cotton for the season ending July 31.

BUREAU FINDS SECOND-HAND BASKETS COMPLY WITH STANDARDS

Reporting the results of a survey, the Bureau of Agricultural Economics announced this week that "second-hand baskets and hampers sold by dealers in 10 eastern markets, for use in packaging fruits and vegetables, have been found generally to comply with regulations under the United States Standard Container Acts.

The Bureau investigated the second-hand container situation to determine whether second-hand veneer bushel baskets comply as to size and cubical content with Federal laws. Although no violations were discovered in the eastern markets, the Bureau said the investigation should be carried into other territories and periodic inspection made in all areas where used baskets are bought and sold.

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THE WEEK IN BRIEF

FARM MORTGAGE RECORDINGS in the first quarter of 1937 amounted to \$223,000,000, or a 5 percent decrease compared with the first quarter of 1936, it was announced by the Farm Credit Administration. Farmers obtained the largest volume of mortgage credit from individuals.

A GRAIN GRADING and marketing school is to be held at Urbana, Ill., on June 10 and 11, by the Illinois College of Agriculture. The two-day course will combine lectures with laboratory instruction.

A NEW BULLETIN suggesting conditions under which various vegetables should be kept in stores or at roadside markets in a manner to supply a high-quality product to consumers was issued by New York College of Agriculture. Copies are obtainable free from the College, at Ithaca.

NEW "DEAL" REPORTS obtainable from the Bureau of Agricultural Economics are entitled "Marketing Western and Central New York Apples, 1936-37 Season"; Marketing Western New York Potatoes, 1936-37 Season"; "Marketing Western New York Carrots, 1936-37 Season"; "Marketing the Lower Rio Grande Valley Texas Potato Crop, 1937 Season"; "Marketing Western and Central New York Onions, 1936-37 Season".

EUROPEAN HOG PRODUCTION is expected to decline during the last half of 1937, and a substantial reduction in slaughter during 1938 is in prospect, according to a report to the Bureau of Agricultural Economics from its Berlin office. The Bureau said that "Europe will have need for increased supplies of western hemisphere lard during 1938," but that "it is not known at this time how this need may be transformed into an effective demand."

COORDINATION of activities of the several divisions of the Department of Agriculture now conducting programs in the Southern Great Plains area was announced by Secretary Wallace. He said the move was "an effort to develop a sound land-use program for the approximately loo counties in Colorado, Kansas, New Mexico, Oklahoma and Texas where wind erosion has been most severe."

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June 9, 1937

NEW_YORK_ENACTS
AGRICULTURAL_LAWS

Vol. 17 No. 23

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RESILVED

D. S. Department of Agriculture apted by the New York

The farm products marking law recently enabled by the New York Legislature is an amendment to the agriculture and markets law. The amendment reads: "Every open or closed package of fruit and vegetables shipped into the markets of this state from another state, shall be marked in terms of the official standards and grades or classifications, as promulgated from time to time by the secretary of agriculture of the United States, commonly known as U.S. grades. This act shall take effect June first, nineteen hundred thirty—seven."

Other legislation enacted at the recent session included provision for continuing until April 1, 1938, the milk publicity campaign and the milk tax. The milk publicity law imposes an excise tax of 3/4th cent on each 100 pounds of milk. A law was passed providing for the marketing of milk through producer-owned and controlled cooperative agencies and bargaining agencies and through a distributor's agency.

Laws were passed authorizing the Commissioner of Agriculture to audit books of account of milk dealers and cooperatives; to prohibit the importation of milk or cream after July 1, 1937, without permit from the Health Commission; to permit sale of milk in bottles holding 1/3 quart only to hotels, restaurants or other eating establishments for consumption on premises; to prohibit cannery operations for fruits and vegetables without license, and to exempt stores from license requirements for the sale of milk.

One law appropriated \$6,000 for investigation by Cornell University of marketing problems in connection with maple syrup and maple products.

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NORTH CAROLINA SIGNS EGG GRADING AGREEMENT

North Carolina Department of Agriculture announced this week that an agreement has been signed with the United States Department of Agriculture whereby North Carolina eggs offered for sale may be graded by Federal standards. The State Department of Agriculture, according to the announcement, is now "permitted to license inspectors to grade eggs as to quality and certify the product at the time of inspection. To obtain an inspector's license, the applicant must sign an agreement with the State Department of Agriculture to abide by the provisions of the Federal government, which require than an inspector have adequate knowledge of Federal grades for eggs and be able to classify the products under the United States Department of Agriculture standards."

NEW JERSEY SURVEYS BEEKEEPING INDUSTRY

New Jersey Department of Agriculture reported this week that a recent survey of beekeeping revealed about 2,260 beekeepers in the State, and 23,684 colonies of bees. Although several apiaries in the State are operated entirely for profit on a business basis, the survey disclosed that 56 percent of the total number of beekeepers had only from one to five colonies each. Often colonies are rented to orchard owners and vegetable producers during the blossom season. The Department estimated the total gross income received by New Jersey beekeepers from sales of honey, wax, bees rental for pollination, sale of queen bees, colonies of bees and packages of bees in 1935 at \$90,000. It is promoting expansion of the industry.

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NEW YORK HAS NEW CERTIFIED SEED STANDARDS

Commissioner Peter G. Ten Eyck of the New York Department of Agriculture and Markets has promulgated new standards for certified seeds and tubers which for the first time include certified seed of grasses and Requirements for certified seed of grasses and clovers include purity ranging from 96 to 98 percent, depending upon the variety, freedom from weed seeds and noxious weeds, inert material, freedom from seeds of other cultivated plants and a required germination minimum of not less than 90 percent. The grades for grasses and clovers cover Kent Wild White Clover, New York Wild White Clover, New York Wild Birdsfoot Trefoil, Svalof Victoria, Perennial Ryegrass, Aberystwyth Pasture Timothy S. 50 and Cornell 1777 Hay Timothy.

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MINNESOTA TOURS FEATURE WOOL GRADING

Twelve sheep tours, part of a regional sheep improvement program, are being held in northwestern Minnesota counties this month by the Minnesota Extension Division. A feature of the tours is an exhibit on wool and the preparation of wool for market. Various market grades of fleece are shown and explained along with approved methods of handling fleeces for market.

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HONEY PRODUCTION LARGEST IN 7 YEARS

The production of honey, estimated at 177,499,700 pounds, in 1936, was the largest in seven years of records published in a table this week by the Bureau of Agricultural Economics. The number of colonies of bees in 1936 was estimated at 4,402,550, or the smallest in the seven years. States leading in honey production last year were North Dakota, Michigan, California, Iowa, Texas, and Minnesota. Numbers of colonies were largest in California, North Dakota, Illinois, and Texas in the order named.

NORTHEAST POULTRY PRODUCERS TO MEET AT NEW BRUNSWICK

Directors and officers of cooperative associations handling poultry products in the Northeast will meet at New Brunswick, New Jersey, August 16 and 17, for a conference on business management problems previous to the annual summer meeting of the Northeastern Poultry Producers Council, August 18 and 19.

Topics listed for discussion include the operation of shipping associations, pooling associations, and auction markets. Ways to inincrease the consumption of eggs will be discussed.

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FARM INCOME GAINS

IN MAJOR REGIONS

Cash receipts from marketings of the principal farm products and from Government payments to farmers in April 1937 were larger than in April 1936 in each of the six major geographical divisions of the country, it was reported this week by the Bureau of Agricultural Economics.

Dollar gains were largest in the South Central region where receipts from principal products plus Government payments totalled \$98,974,000 in April this year compared with \$64,868,000 in April a year ago. Gains also were reported for all regions for the periop January through April this year compared with last, ranging from a gain of about 13 percent each in the North Atlantic and West North Central States to 56 percent in the South Central States.

Though prices of farm products declined during May and livestock and grain marketings were sharply reduced, the Bureau believes that receipts from the sale of principal farm products were higher this May than a year earlier in all regions with the possible exception of the West North Central States.

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MISSISSIPPI URGES LARGER PLANTINGS OF FEED GRAINS

Commissioner J. C. Holton of Mississippi Department of Agriculture announced this week that the present high price level for feed grains, plus the indication that Mississippi's 1937 yields may be even less than the inadequate quantities produced in the past, are reasons why Mississippi farmers "would do well to increase the feed acreage by June plantings."

The Commissioner said that Mississippi has seldom produced a crop of corn sufficient for State requirements, which total about 70,000,000 bushels a year. The all-time corn record was established in 1917 when the yield was 84,050,000 bushels. The yield in 1935 was 37,076,000 bushels, and in 1936 it was 38,976,000 bushels.

It was stated that "with Mississippi's livestock population substantially increased, our need for corn and other feed grains are correspondingly increased."

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UNITED STATES STANDARDS for plums and prunes (fresh), and for sweet potatoes have been issued by the Bureau of Agricultural Economics.

ILLINOIS RECOMMENDS SOY— BEANS AS GARDEN VEGETABLE

The search by Illinois home vegetable gardeners seeking a garden vegetable that matures in late summer when the season for most vegetables is past may be ended by the use of vegetable-type soybeans, according to Illinois College of Agriculture.

Tests have yielded "four desirable varieties which provided green shell beans from August 19 to October 5." The varieties are Giant Green, Fuji, Hokkaido, and Funk's Delicious. Higan also matures at about the same time - September 17 to October 5 - as Funk's Delicious. The College said that although seeds of these varieties are not yet available in large quantities, attempts are being made to accumulate sufficient stocks to meet demands for them.

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LOWER POULTRY, HIGHER EGG PRICES ARE FORECAST

A more than seasonal decline in farm prices of chickens during the next three or four months, to be followed by a strengthening of prices in the last quarter of the year with December prices being higher than usual in relation to May, was indicated this week by the Bureau of Agricultural Economics.

Larger stocks of frozen poultry now in storage have a tendency to depress prices but the reduction in hatch indicates that fewer chickens are being raised for marketing in the latter part of the year. The farm price of eggs, on the other hand, is near its low point for the year and by the end of June is likely to begin its seasonal advance to December, the Bureau said.

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COOPERATION INSTITUTE TO MEET AT AMES, IOWA

The American Institute of Cooperation will hold its annual sessions at Ames, Iowa, June 21 to 25. About 3,000 persons are expected in attendance at the sessions which are to be held in cooperation with the meeting of the Iowa Country Life Conference.

The five-day program will feature joint general assemblies in the mornings for the two convening groups and separate discussions in the afternoons. Conferences on livestock, grain, creamery, milk, poultry and eggs, petroleum purchasing, wool, insurance and credit cooperatives will be held.

More than 100 speakers have been scheduled for the Institute program, which will emphasize three points: trends affecting cooperatives, appraisal of present services and adjustments and solutions of problems.

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SOME RECENT MIMEOGRAPHED REPORTS obtainable from the Bureau of Agricultural Economics are: "Cotton and Other Materials Utilized in Bags for Cement"; "Tobacco Inspection. Market News, and Deomonstration Services"; "Marketing Alabama Potatoes. 1937 Season"; "A Review of the 1936 Imperial Valley Watermelon Season"; "Marketing Wilson-Karnes District (Texas) Onions, 1937 Season"; "Uses and Products Made of Corn".

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MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CUPRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 16, 1937

T. S. Department of Agriculture

Vol. 17, No. 24

GEORGIA LEGISLATURE
PASSES AGRICULTURAL BILLS

Passage of four agricultural bills by the 1937 session of the Georgia Legislature was reported this week by Hamilton Ralls, Supervisor of the Marketing Division of the Georgia Department of Agriculture. They regulate the marketing of eggs, set up a Milk Control Board, prescribe the procedure for registering feeding stuff with the Commissioner of Agriculture, and penalize the selling of mouldy or damaged feeding stuff.

The egg marketing bill provides conditions under which eggs may be sold or offered for sale, under designated classifications; for the registration of all dealers in eggs; for filing with the Georgia Department of Agriculture a copy of the invoice of each sale of eggs; and for the inspection of eggs by the Georgia Department of Agriculture.

The bill requires that "all eggs offered for sale at retail shall be classified in accordance with these regulations: A heavy card-board or placard not less than eight by eleven inches shall be conspicuously displayed at all times on or over each receptacle containing eggs offered for sale, setting forth in letters not less than one inch in height, plainly and legibly, the classification as to quality and weight. The name of the State of origin shall appear on said placard. The eggs therein shall be required to come up to the standard as placarded. Restaurants, hotels or other eating places shall be required to display a placard where it can be easily seen by customers or in lieu thereof place this information on the menu."

Copies of the bills are obtainable from the Georgia Department of Agriculture, Atlanta.

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DELAWARE AMENDS APPLE GRADING LAW

W. T. Derickson, Director of the Delaware Bureau of Markets reported this week that the 1937 Legislature passed an amendment to the apple law, providing that the official grades for apples shall be the same as those now provided or to be provided by the Bureau of Agricultural Economics.

Other enactments included a law providing for a State indemnity to cattle owners for Bang's Disease, a cooperative marketing law similar to cooperative laws in adjoining States, and a law requiring that Delaware shippers of live poultry secure a license and that shipments be accompanied by a bill of sale.

NEW YORK TO ALLOW GRACE PERIOD UNDER MILK LAW

A law recently enacted in New York prohibits the importation of milk or cream after July 1, 1937, without permit from the New York Health Commission. This week Governor Hoffman of New Jersey asked Governor Lehman of New York "for assurance that there would be no unnecessary interruption of the novement of New Jersey milk to the New York metropolitan area markets." The exchange resulted in an announcement by Governor Hoffman that "Commissioner of Health Edward S. Godfrey (of New York) has promised to allow continued shipments after July 1, under present permit, until such time as new permits are issued following the inspections provided for in the new regulations."

Governor Hoffman also expressed the concern of New Jersey fruit and vegetable growers over the New York State requirements that all produce received from other States must be marked according to United States grades. He said that "New Jersey ranks third among the States as New York City's source of fresh produce," and that "enforcement of the regulations to the extent of excluding New Jersey fruits and vegetables would seriously disturb the normal produce supply of New York City with a very probable increase in prices to consumers."

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PENNSYLVANIA STARTS WORK UNDER PRODUCE DEALER LAW

Secretary J. Hansell French of the Pennsylvania Department of Agriculture has issued a notice to commission merchants and produce dealers that "the business methods they use from now until next January 1 (in buying from farmers on consignment or on other than cash basis), when the new State produce dealers bonding and licensing law becomes effective, will be considered in connection with their applications for licenses."

After January 1, 1938, commission merchants and produce dealers must do a cash business with Pennsylvania farmers or obtain a license and post a bond guaranteeing payment to farmers. Where a bonded dealer does not pay, the Pennsylvania Bureau of Markets will collect upon the bond in favor of the farmer concerned.

An organization for the issuance of licenses and the approval of bonds is being effected by James L. States, Acting Director of the Bureau. All complaints against dealers between now and January 1 will be filed, and "where the facts warrant it, licenses will be refused."

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ILLINOIS PEACH GROWERS TO USE VENTILATED BASKETS

Illinois orchardists were reported this week by the Illinois College of Agriculture as "planning to provide consumers with peaches having that fresh-off-the-tree flavor by investing in ventilated packages and precooling the fruit." Tests at the College have shown that "peaches cool much more rapidly in a ventilated package than in a standard basket equipped with a standard paper liner. In these tests the most satisfactory type of ventilated package was a bushel basket having 20 cracks approximately three-fourths inch wide at the top and tapering gradually until the basket is solid at the bottom."

MASSACHUSETTS CITES HIGH COST CF EGG PRODUCTION

A fourteen year record of high cost of egg production was established in Massachusetts this spring, when "Massachusetts hens were obliged to lay 111 eggs to pay for 100 pounds of grain," it was announced this week by the Massachusetts State College.

During April, the laying ration cost \$2.40 a hundred, and eggs were selling for 25.9 cents a dozen. The feed cost was as high as it was last September when drought prices were prevailing. In April 1933, eggs sold for 21 cents, but feed cost was only \$1.69 a hundred.

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RHODE ISLAND STUDIES MILK SUPPLY SOURCES

How Connecticut and Massachusetts have displaced Vermont in recent years as scurces of supply of milk consumed in Rhode Island is reported in a survey by the Rhode Island Department of Agriculture. The Department says that in 1936 Vermont supplied Rhode Island with an average of 7,000 quarts per day, whereas in 1931 the supply from Vermont averaged 37,600 quarts daily. As shipments from Vermont decreased, shipments from Connecticut and Massachusetts increased, the former by 28,400 quarts, the latter by 16,100 quarts.

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GOVERNMENT COMMITTEE ISSUES TURKEY REPORT

Either the consumption of turkeys must be increased or the production reduced if producers and the trade are to make a fair business profit, according to a report issued this week by the Bureau of Agricultural Economics. The report is by a special Department of Agriculture committee composed of representatives of the Bureau of Agricultural Economics, the Bureau of Animal Industry, the Agricultural Adjustment Administration, and the Farm Credit Administration.

Ways to increase the consumption of turkeys are set forth, closer coordination of effort among producer cooperatives was recommended, and the need for more complete production and market information was stressed. Copies of the report are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

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"ORGANIZATION of the Louisville Wholesale Fruit and Vegetable Market" is the title of a recent bulletin obtainable from the Kentucky Agricultural Experiment Station, Lexington, Ky.

A BULLETIN entitled "Harvesting and Marketing Timber in New York" is obtainable from the New York State College of Forestry, Syracuse, New York. Raymond J. Hoyle, the author, says it is intended "primarily for use by the small sawmill owner such as the farmer in an effort to educate him to some of the problems of harvesting and marketing his timber."

THE WEEK IN BRIEF

MAINTENANCE of consumer demand for farm products at approximately the present level during the next several months was forecast by the Bureau of Agricultural Economics. A "leveling off" was noted in industrial production and general business activity since early spring, but the Bureau said that "any temporary slackening of business this summer probably will not be accompanied by a proportionate decrease in domestic consumer demand."

A 1,000 PERCENT INCREASE in consumption of crude peanut oil in the United States during the past two years was reported by the Bureau of Agricultural Economics in its June "Fats and Oils Situation". creased utilization of peanut oil in compounds and vegetable shortenings was reported. Advancing prices have accompanied the increases in consumption of peanut oil.

"A GRAPHIC SUMMARY of Physical Features and Land Utilization in the United States" was released by the United States Department of Agriculture. It contains maps, charts, and text regarding land utilization, agricultural production, farming regions, drainage, erosion, exports, food consumption trends, and many related subjects.

"SOME EFFECTS of the World War on Cotton," is the title of a mimeographed report issued by the Bureau of Agricultural Economics. In it, Maurice R. Cooper, agricultural economist, discusses the effects of the War on cotton consumption, production, and prices. during the post-war period also are covered.

THE USE OF COTTON BAGS by the cement industry was the subject of a special report by the Bureau of Agricultural Economics. bags are used for packaging about 40 percent of the cement shipped in the United States, but the trend has been downward during the past decade. The report is the eighteenth of a series relating to economic and technological studies of the utilization of cotton and competing materials.

GOVERNOR EARLE of Pennsylvania recently signed a bill requiring the marking of grades on closed packages of potatoes. Bills awaiting his signature last week included one that appropriates \$24,000 for potato experimental work.

LARGE CROPS of apples and pears are expected in most European countries this year. British and French apple crops may not be quite as abundant as last year, but a sharp increase in production is expected in Germany and the Netherlands, according to a dispatch from the London office of the Bureau of Agricultural Economics. Large European crops of apples and pears, it was stated, will tend to have a depressing effect on exports from the United States during the 1937-38 export season, July to June.

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MARKETING ACTIVITIES

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June 23, 1937

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TEN EYCK RESIGNS AS NEW YORK COMMISSIONER

The resignation of Peter G. Ten Eyck as Commissioner of Agriculture and Markets in New York was announced this week. His succesor is Holton V. Noyes.

In a letter to Governor Lehman of New York, Commissioner Ten Eyck said that "due to my health at present and conditions pertaining to other matters over which I have no control, I find it incumbent to present to you my official resignation as Commissioner of Agriculture and Markets to take effect as of June 18, 1937."

Mr. Ten Eyck announced that he intends to devote much of his time to the operation of his 600-acre dairy and fruit farm near Albany. His farming enterprise includes a fruit orchard of 6,000 trees and a herd of 80 registered Guernsey cattle.

"IMPROVEMENT" COW SHOWS PROFIT IN ILLINOIS

Northern Illinois dairy herd improvement association members realized an average profit of \$16.92 a cow during 1936, according to a dairy cost study on 90 selected farms, it was announced this week by Illinois College of Agriculture.

Average cost of producing 100 pounds of milk on the 90 farms was \$1.57, and the cost of producing a pound of butterfat was 44 cents The costs are net after giving the cow credit for the value of the calf and barnyard manure.

Net annual cost of maintaining a cow averaged \$129.53, and the average total income from milk or butterfat per cow was \$146.45. Gross cost per cow before deducting the value of by-products was \$141.83 of which \$70.29 was feed and bedding cost, \$24.02 man labor charge, \$9.69 shelter cost and \$7.90 hauling milk and cream. These four items made up 79 percent of the total expenses in milk production. Average yearly production of milk a cow was 8,274 pounds containing 298 pounds of butter-fat.

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MANY TENANTS BUYING FARMS

More than 1,000 tenants bought farms from the Federal land banks in February, March and April of this year, it was announced this week by the Farm Credit Administration. These purchases represented 25 percent of the farms sold by the banks during the period. Sales to tenants were largest in Michigan, Wisconsin, North Dakota and Minnesota.

CALIFORNIA COUNTY INCREASES POTATO AREA

In 1930 the area planted to potatoes in Kern County, California was 2,200 acres. The estimated area for 1937 is 20,100 acres. marked expansion is the subject of a mimeographed report - "Marketing Kern County New Irish Potatoes" - recently issued by the California Extension Service. The expansion is attributed to the use of new production practices which increased yields from 11,000 pounds per acre in the 1920's to 29,000 pounds in 1936.

In a letter accompanying the report, John B. Schneider, Extension Specialist in Marketing, stated that "Last fall, potatoes from this region, for about the first time, received wide distribution throughout the United States. The crop shortage and unfavorable producing conditions in competing sections were of national assistance in bringing these potatoes to the eastern markets." The principal variety grown is the White Rose, a long white Burbank type. The report quotes a trade journal as saying that it is "the only new potato that restaurants and hotels can use for French frying and shoe strings."

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MAY FARM INCOME TOPS MAY LAST YEAR

Farmers' cash income from marketings and Government benefit payments in May totaled \$610,000,000 compared with \$646,000,000 in April and with \$600,000,000 in May 1, 936. Most of the decrease compared with April was the result of smaller Government payments which totalled \$33,000,000 in May compared with \$63,000,000 in April. Government payments in May 1936 totaled \$59,000,000.

Usually there is a seasonal increase in income from marketings in May over April, but this year there was a slight decrease resulting from sharply reduced marketings of a number of major farm products and decline in the general level of prices received by farmers.

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NORTH CAROLINA DISCOVERS "CHICKEN SWAPPING" FRAUD

The North Carolina Department of Agriculture reported this week that complaints have been received of unscruplous merchants who substitute smaller weight poultry for the birds which have been bought by consumers. The merchants carry the birds to the rear of the store, presumably to dress them, but re-appear with other birds already dressed and drawn for the purpose of the cheat. Consumers were urged to buy chickens by weight already dressed and drawn, or to watch the dressing and drawing process.

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"PACKING Minnesota Fruits for Market" is the title of a special bulletin just released by the Minnesota University Farm, St. Paul. The various types of containers most suitable for marketing different kinds of fruits are discussed, with special attention given to those most adapted to Minnesota marketing conditions.

NO CHANGE TO BE MADE IN_COLORING_IMPORTED_SEED

Secretary of Agriculture Wallace announced this week that following public hearings on May 17 it has been decided to make no change in the present regulations governing the colors with which red clover seed imported from various origins shall be stained.

In comment, the Secretary said that the evidence presented at the hearings and by brief clearly brought out that imported red clover seed now carrying a stain of 1 percent green is not so well adapted in many areas of the United States as the adapted local strains. In other important producing areas depending on seed supplies from elsewhere than their own sowings, the imported seed gives satisfactory results. Furthermore, the seed now being stained green is distinctly superior to seed now requiring a red stain.

It was stated that the placing of both kinds of seed in the same category would leave those areas now dependent in part on imported seed in a position where they would most certainly get the cheapest imported seed, most of which would have the poorest adaptation with consequent poor stands and low yields.

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CALIFORNIA REPORTS ON DAIRY COST STUDY

Results of a six-year study of dairy costs and income in San Diego County were published this week by the University of California. The study, which was made with a small group of dairies, shows an average total annual income per cow of \$242.04 for the six-year period, as against total annual costs of \$218.82. The 1936 acerage income was \$237.14 as against total costs of \$183.75. Net annual profit for 1936, however, ranged from \$8.83 to \$84.64.

The study indicated that the average San Diego cow consumes 14,865.7 pounds of food a year, with hay coming first in volume, silage second and concentrates third. Food represented about 60 percent of all costs, with labor covered by an additional 20 percent. The study was made in cooperation with the Farm Bureau of San Diego County.

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MECHANIZATION HAS NOT TOUCHED THE ONION

Seventeen years ago, the commercial onion acreage of the United States averaged about 60,000 acres. The average in recent years has been about 87,000 acres. And the crop in recent years has averaged about 13,000,000 sacks. But despite this expansion, mechanization has only slightly touched the onion, says the Bureau of Agricultural Economics for much of the work of harvesting is by hand. A large part of the crop is sized by hand over tables with slatted bottoms. Most carlot shipments are in refrigerator cars under ventilation. The onions move to market by rail, boat, and motor-truck. A Bulletin, "Marketing Onions" has just been issued by the Bureau.

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"FARM PRODUCTION from Meat Animals by States" is the title of a report just released by the Bureau of Agricultural Economics.

FARM POPULATION SMALLEST IN FOUR YEARS, REPORT

The farm population - estimated at 31,729,000 persons as of January 1, 1937 - is the smallest since 1933, according to a report issued this week by the Bureau of Agricultural Economics. The decline during 1936 was not large - only 80,000 persons - but it was the first annual net loss reported since 1929.

The Bureau reported that 1,166,000 persons left the farms for cities, towns, and villages in 1936, and that 719,000 moved to farms. But this net migration off the farms was almost entirely offset by excess of farm births over deaths, births were extimated at 716,000, and deaths at 349,000.

Pronounced changes in population were noted in some of the major geographic divisions of the country. In the West North Central and West South Central States, where the drought of 1936 was particularly severe, decreases reported during 1934 and 1935 were continued during 1936.

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LOUISIANA FARMERS TO SEEK MARKETING AGREEMENTS

Noting Presidential approval of the Marketing Agreement Act of 1937, the Agricultural Committee of the New Orleans Association of Commerce announced this week "it is expected that action will be taken towards setting up definite marketing agreements between Louisiana producers and the Secretary of Agriculture." It was stated that "in recent years Louisiana producers and shippers have considered asking for agreements on the marketing of certain vegetables, but no definite action was taken."

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MAY was a banner month for high production in New York dairy herd improvement associations as 22 herds averaged more than 50 pounds of butterfat to the cow, according to a report from New York Extension Service. Seventy-three other herds averaged higher than 45 pounds of butterfat to the cow.

SEPARATE monthly reports - one on "The Fruit Situation" and one on "The Vegetable Situation" will be issued hereafter by the Bureau of Agricultural Economics. The fruit report will be issued about the 22nd of each month, and the vegetable report about the 27th. The single report, "The Fruit and Vegetables Situation", was discontinued in May.

WORLD WHEAT PRODUCTION, outside Russia and China, may total 3,800,000,000 to 3,850,000,000 bushels this season, or about 300,000,000 more than in 1936-37, the Bureau of Agricultural Economics said this week. But the increase will be more than two-thirds offset by the fact that world stocks of old wheat, outside Russia and China, will be about 230,000,000 bushels less this year than last.

A CARRYOVER of about 4,400,000 bales of American cotton in the United States on July 31 was forecast by the Bureau of Agricultural Economics, or about 1,000,000 bales less than the carryover on July 31, 1936.

STATE AND FEDERAL

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June 30, 1937

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U. S. Department of Agriculture

Vol. 17, No. 26

NEW MEXICO WOULD SET UP

MARKET INFORMATION BUREAUS

The creation of farmer information bureaus which would connect growers and truckers, advertise farm products for sale, and do collective bargaining was proposed to New Mexico farmers this week by A. B. Fite of the New Mexico State College. The bureaus would charge a small membership fee for service costs, and it is possible, said Fite, that even with a small beginning, the bureaus can grow into a State-wide organization.

Declaring that unorganized growers' marketing methods have demoralized markets, Fite said that it is important that a system of marketing be worked out. Marketing of perishables has undergone a radical change with the advent of the trucker who handles most of the fruit and vegetables grown in New Mexico, he explained. Opponents of the trucker accuse the latter of lowering prices and of handling poor grade produce; champions maintain that the trucker furnishes a cash market which otherwise would not exist, and that he pays as much for quality as do other buyers.

The trucker, on his side, said Fite, is put to the expense of coming into the State, with no knowledge of existing supplies, and having to drive hundreds of miles hunting produce. The information bureaus would presumably assemble information as to market supplies and prices for the use of both farmers and truckers.

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CALIFORNIA ISSUES ORANGE COSTS REPORT

The California Extension Service reported this week that orange growers throughout the State are showing keen interest in a ten-year study of the earning capacity of 23 Orange County Valencia orange orchards, just completed by the Service. The study closely follows the "ups and downs" of the growers over the decade, but is said to be so comprehensive generally that "any grower can follow it." It shows average management earnings of \$147.72 per acre per year in the period, but the range between the average management earnings of the so-called "high yield" and "low yield" acreage is \$145.12 per acre per year. This wide spread is accounted for by difference in cultivation methods and management factors.

The per-acre average cultural and harvesting costs in the period are set at \$307.25 a year, with a spread of \$30.39 between the "high" and the "low" acreage. The same average shows a yield of 222.4 packed boxes per acre, but here again, the growers who are not quite so careful, show a big decrease from those who work for all the "breaks". In this instance

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the "high" acreage yields 243 boxes and the "low" acreage 198.4 boxes on the average.

The total average income per acre for the decade is set at \$454.97 per year. From this is taken the production and harvesting costs, cash overhead, depreciation, and interest on investment in order to arrive at the income to the orchard management or ownership.

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NORTH DAKOTA STUDIES SMALL COMBINE COSTS

The modern small combine will harvest grain at a cost of a little more than \$1 per acre, as compared with about \$3.30 per acre for harvesting with binder and threshing machine, it was announced this week by the North Dakota Agricultural College. Larger combines cost from \$1.50 to \$2.25 per acre, it was learned. But if straw is needed, the College pointed out, the low operating cost of the combine is counteracted, since it may cost 50 cents to \$2 an acre to gather and stack the straw, a job which the thresher does as a part of its operation.

Agricultural engineer H. F. McColly of the College said that on many farms at least those where straw is not all saved, the small combine will tend to replace binders. These machines have cutting widths of around 5 to 6 feet and are commonly one-man outfits. Rubber tires are being used on combines, particularly the lighter weight rigs. The operating speed has been increased, which has also increased harvesting capacity. Under most conditions, McColly says the 5-foot machine mounted on rubber tires will cover the same ground as an 8-foot machine built a few years ago and mounted on steel wheels.

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PENNSYLVANIA BIDS FOR POTATO LEADERSHIP

A bid for what is termed "potato leadership" is being made by the Pennsylvania Department of Agriculture through a \$25,000 appropriation recently passed by the Legislature for the improvement and marketing of Pennsylvania potatoes. The Department says that last year Pennsylvania ranked second among the 48 States in the value of its potato crop, and third in potato production.

Dr. E. L. Nixon, State College potato expert, is said to be "confident that a potato perfectly suited to the soil, climate and consumer needs of the Keystone State can be developed. Before a legislative committee he predicted that an improved Pennsylvania potato would some day pay off every farm mortgage in the State."

Last fall, the Pennsylvania Department of Agriculture cooperated with the Pennsylvania Cooperative Potato Growers Association and the food distributors in a potato grading and marketing program which is said to have increased the profits of the growers by \$3,000,000 in five months.

The Pennsylvania Bureau of Plant Industry and the Bureau of Markets have been directed to organize immediately to carry out the purposes of the appropriation act.

NORTH CAROLINA NEEDS POULTRY PACKING PLANTS

A definite need for two or three strategically located poultry packing and storage plants in North Carolina was reported this week by T. T. Brown, North Carolina Extension Service.

At present, large grocery companies and packers in the State must buy the bulk of their poultry and eggs outside of North Carolina. At the same time, said Brown, poultrymen of the State ship large quantities of poultry and eggs to eastern markets because they cannot find a home market for their surplus.

A large packing company a few years ago surveyed the possibility of erecting a packing and storage plant in North Carolina, but found the surplus of eggs too small. But Brown said that poultry production has increased greatly since then, so that now two or three plants could be supported.

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ILLINOIS FARMERS HAVE BEST INCOME IN FIVE YEARS

Illinois College of Agriculture reported this week that Illinois farmers in 1936 had the highest farm income in five years, judging by the annual farm business reports of more than 2,000 farmers.

Net receipts an acre for the account-keeping farmers averaged \$10.59 in 1936, compared with \$8.68 in 1935, and \$7.26 in 1934. Cash farm incomes, cash farm expenditures and increases in inventory were also larger in 1936.

On the average accounting farm last year the cash balance above cash expenses was \$2,340 a farm, a sum which represents the amount available for interest payments, family living expenses, debt retirement and investments. (The College explained that incomes are larger on accounting farmers than on the average of all farms in the State because accounting farms are larger, and because farmers who keep accounts are in general more efficient than the average.)

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RHODE ISLAND CATTLE RESTRICTIONS EFFECTIVE

Cattle dealers assembled at Providence, Rhode Island, this week were told by Rhode Island Department of Agriculture officials that it will not be possible after July 1, 1937, to obtain a permit for the interstate movement of cattle unless the health chart for the animals has been submitted, as required by law, to the Division of Animal Industry and Milk Control. They were told that after the permit has been issued, the permit and the health chart must accompany every animal coming into the State. Officials said that so many animals have reacted to the tuberculin test after having been received in the State that this regulation is necessary to protect the purchaser of the animal and to alleviate the indemnity load carried by the State.

FARM MORTGAGE DEBT REDUCED 17 PERCENT

Total mortgage debt on farm land and buildings in the United States on January 1, 1935 amounted to \$7,645,091,000, according to a preliminary release made this week by the Bureau of the Census and the Bureau of Agricultural Economics. On January 1, 1930, total farm mortgage indebtedness was \$9,214,278,000, according to a revised estimate by the Bureau of Agricultural Economics. The figures represent the encumbrance against farm real estate and in no way represent the total indebtedness of farm owners.

The change in indebtedness during the five-year period shows wide variations by geographic areas, the greatest change being a decline of 23.6 percent for the West North Central States. For the State of Iowa, which accounted for 12.8 percent of the total farm mortgage debt in 1930 and 10.6 percent in 1935, there was a reduction of 31.5 percent during the period. In contrast, the East South Central States showed a decline of only 7.8 percent.

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COMMISSIONER H. V. NOYES, newly appointed head of the New York Department of Agriculture and Markets, this week "pledged assurance to the entire milk industry" that it will be his "policy to cooperate to the fullest in all efforts to work out a satisfactory solution of the milk problem in New York State along the lines established by the Rogers-Allen legislation."

A FOUR-POINT DROP in the index of prices received by farmers was reported this week by the Bureau of Agricultural Economics, covering the period May 15 to June 15. The decline was attributed to improved crop prospects and partial adjustment of prices to a new crop basis. The index stood at 124 on June 15, compared with 128 on May 15, and with 107 on June 15 a year ago.

OBTAINABLE from the Farm Credit Administration is its newest bulletin entitled "Milk Cooperatives in Four Ohio Markets." It is an analysis of four associations of the bargaining type, including a study of their operating practices, their work with producers, and the attitudes of a sample group of members. The Ohio Experiment Station and a number of milk producers' associations cooperated in the study.

A DECLINE of slightly more than 6 percent in the amount of agricultural loans held by insured commercial banks during the last half of 1936 was reported this week by the Bureau of Agricultural Economics. The decrease was from \$1,150,850,000 to \$1,081,148,000 from June 30 to December 31, 1936.

CALIFORNIA Department of Agriculture held a hearing this week on a proposed marketing order for fresh Bartlett pears under the provisions of the California Marketing Act of 1937. Principal features of the order include plans for advertising and sales promotion for increasing the sale of fresh Bartlett pears, as well as the enforcing of grade and size limitations upon the pack handled in intrastate commerce.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

July 7, 1937

RECEIVED

Vol. 17, No. 27

REPORT ISSUED ON WESTERN

CREAM IN EASTERN MARKETS, & Department of Agriculture

A report of a study of cream shipments from the Central Western States into Eastern States, made in cooperation with the New York College of Agriculture, was issued this week by the Farm Credit Administration. The author is Leland Spencer of the New York College of Agriculture.

Professor Spencer says that in some of the eastern markets the cream from Central Western States constitutes an important part of the total supply, and is wholly uncontrolled by the producers' associations whose function has been to bargain for prices on the supplies of milk and cream produced locally.

The study revealed that Boston and Philadelphia are the most important eastern markets for western cream. Receipts of western cream at Boston totaled 194,000 40-quart cans in 1936, at Philadelphia 92,000 cans, and at New York 48,000 cans. The chief reason for the relatively small quantities shipped to New York is said to be the fact that the New York City Department of Health has not extended its country inspection beyond the Pennsylvania-Ohio boundary.

The report covers the seasonal distribution of western cream shipments, sources of western cream, receipts of milk and cream at western cream plants, types of plants shipping cream, potential shipments of cream, control of western cream plants, methods of selling cream, and prices and costs.

It concludes with the statement that although many of the western plants were compelled to reduce or discontinue shipments in 1933, the higher cream prices in the East during the last year or two have induced many of the western plants and farms to make the improvements which are required by health officials of the eastern cities or States. Formerly most of the western cream was used in the manufacture of ice cream or cream cheese. But as higher sanitary requirements are put into effect, and the quality of western cream is improved, Prof. Spencer says that "supplies from that source will compete more directly with eastern supplies for the bottled cream trade."

Copies of the report are obtainable from the Farm Credit Administration, Washington, D. C.

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PENNSYLVANIA EXPECTS

SUCCESSFUL CANNING SEASON

Secretary J. Hansell French of the Pennsylvania Department of Agriculture said this week that early reports from the centers of Pennsylvania's rapidly growing vegetable and fruit canning industry indicate that this will be the State's most successful season for the production

of high quality fruits and vegetables for canning. Principal canning crops are peas, tomatoes, corn, beans, limas, apples, and sour cherries.

A 100-percent increase in the demand for licensed inspectors at the canneries in the State this year was reported in prospect by the Pennsylvania Bureau of Markets.

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LOUISIANA GROWERS

ENJOY PROFITABLE SEASON

Reporting an increase of 250 carloads of fruits and vegetables shipped from Louisiana during the first six months of 1937 compared with 1936, the New Orleans Association of Commerce said this week that "this has been one of the best spring marketing seasons that the general vegetable grower has experienced in several years." Shipments for the six months period this year totaled 10,217 carloads.

"The most disappointing vegetable crop was Irish potatoes," it was stated. "Prices during the greater part of the season were at a low point and returns to growers fell far below those for the 1936 crop."

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EIGHT CHANGES MADE IN POULTRY IMPROVEMENT PLAN

Eight principal changes in the National Poultry Improvement Plan went into effect on July 1, it was reported this week by the United States Department of Agriculture. The first change modifies the requirement for hatching eggs in the U. S. Approved breeding stage, the second requires the approval of the official State agency of all printed literature used by hatcheries and breeders under the national plan, the third limits the sale of hatching eggs just as it limited the sale of chicks last year, the fourth provides that U. S. Approved, U. S. Verified, and U. S. Certified hatcheries may supply their hatchery-flock owners (under certain conditions) with U.S.R.O.P. chicks hatched from purchased U.S.R.O.P. eggs.

The fifth change deals with the body-weight requirements of all female chickens entered in U.S.R.O.P., the sixth enables Record-of-Performance breeders to locate and use superior females in their breeding flocks one year earlier than was possible under the old plan, the seventh deals with flocks tested for pullorum disease, and the eighth provides for the reinsertion of U.S. Verified as the second breeding stage in the plan.

Detailed specifications of the changes are obtainable from Paul B. Zumbro, poultry co-ordinator, U. S. Department of Agriculture, Washington, D. C.

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"POSSIBLE SAVINGS Through Changes in Local Government" is the title of a bulletin recently issued by the Texas Agricultural Experiment Station. It says that "government in Texas is administered through more than 8,300 units, each of which has its own governing board, collects its own taxes, and renders one or more services."

CALIFORNIA PUTS PEAR MARKETING ORDER INTO EFFECT

California Department of Agriculture put into effect this week a marketing order containing provisions for establishing grade and size limitations under which fresh Bartlett pears may be shipped in California, and providing for the collection of an advertising fund estimated to total \$75,000 the first year. The advertising fund is to be established through an ssessment of 3 cents upon each standard box of fresh Bartletts packed for market within the State.

The marketing order will continue in effect until January 1, 1942. It provides for the appointment of an advisory board of 10 members, consisting of five producers and five handlers and their alternates. This Board will assist the Director of Agriculture in administering the marketing order.

STORE SALES BOOST DAIRY INCOME IN ILLINOIS

Higher incomes for Illinois dairymen and larger per capita consumption of milk are advantages claimed for increased sales of milk through stores and depots at lower than delivered prices, by R. W. Bartlett of the Illinois College of Agriculture.

"Low store prices encourage people to buy more milk, and in turn, increased sales of market milk return more money to farmers since market milk brings a higher price than manufactured milk," says Bartlett in the current issue of Illinois Farm Economics, a monthly publication of the College.

"Distribution costs for store or depot sales are lower than those on retail routes; hence the farm price for these sales constitutes a larger part of the price consumers pay for the products. Furthermore," he adds, "lower store prices are not the result of lower prices paid to farmers. Farmers selling milk to the Sheffield Farms Company in New York and to the Bellows Falls Cooperative Creamery, which market large quantities of milk through stores, received higher average prices for milk than was paid by other groups in the same district. As a result of higher average prices to producers and increased market outlets, the Bellows Falls Cooperative increased the number of its patrons from 350 in 1921 to more than 1,400 in 1934."

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FIVE OF SIX REGIONS SHOW FARM NCOME GAINS

Cash receipts from sales of principal farm products were larger this May compared with last, and larger during the first five months of this year compared with last, in five of the six major geographical divisions of the country, it was reported this week by the Bureau of Agricultural Economics. Only the West North Central region showed decreases.

The Bureau said that receipts in June also were probably larger in all regions except possible the West North Central, and that receipts during the second half of this year are likely to be somewhat larger than last in all regions, with largest gains expected in the Great Plains States. Increased marketings of crops are expected to contribute most to the expected increase in receipts the country over.

NEW HAMPSHIRE EGG AUCTION SHOWS GROWTH IN THREE YEARS

In three years the business of the New Hampshire Egg Auction at Derry, New Hampshire, has more than tripled in volume and value, it was reported this week by the New Hampshire Department of Agriculture. Three years ago the auction had 310 members, and handled 21,394 cases of eggs valued at more than \$195,000. During the third year, ended June 11, 1937, there were 1,035 members, sales totaled 77,380 cases, and the value of sales was more than \$674,000.

Recently the auction declared a cash rebate of 5 cents per case on the volume which it has handled during the past 3 months, in accordance with the policy of paying a rebate to members if eggs can be handled for less than the regular handling charge of 45 cents per case. The auction has declared this rebate regularly every 3 months, and has paid out a total of \$3,803.10 in patronage dividends to its members this year.

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MORE MILK WAS PRODUCED by California cows in 1936 than in 1935, the total value of the products from this milk was \$21,124,597 more than in 1935, and the average milk production per cow was 7 pounds higher in 1936 than in 1935, according to the California Department of Agriculture. The total wholesale value of manufactured dairy products was estimated at \$135,575,606 compared with \$114,451,009 in 1935.

PRODUCTION CREDIT LOANS by the Farm Credit Administration's 550 associations totaled \$122,066,000 from January 1 to June 1 this year, compared with \$101,004,000 in the same period last year. About 215,000 farmers have these short-term loans, the average size of which is about \$750.

A REPORT entitled "Cotton Utilization and New Industrial Uses" is obtainable from the Bureau of Agricultural Economics. It says that the use of cotton for industrial purposes is becoming increasingly important. Most of the Bureau's research in this field has dealt with textile uses for cotton, but it is stated that "as promising opportunities for the development of new chemical uses present themselves, they will be given consideration."

OTHER REPORTS recently issued by the Bureau of Agricultural Economics include "Agricultural Imports Classified on the Basis of Their Competitive Nature and Tariff Status"; "Quality of Cotton Ginned in Alabama, Crops of 1928-36"; "Farm Production from Meat Animals by States"; "Large Scale and Corporation Farming - A Selected List of References."

A STATISTICAL REPORT dealing with the marketing of agricultural products in Connecticut in 1936 is obtainable from the Connecticut Bureau of Markets, Hartford. Commodities include fruit, livestock, potatoes, poultry, eggs, tobacco, and vegetables.

NEW YORK STATE department of Health last week banned the sale of grade A and grade B raw milk in cities and villages having populations of 10,000 to 15,000. Similar restrictions were established several years ago for cities of more than 15,000 population.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK JUL 24 150

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July 14, 1937

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NORTH CAROLINA REPORTS ON FARMERS' ECONOMIC STATUS

Recent changes in the social and economic status of farm families in North Carolina are the subject of a recent bulletin by the North Carolina State College of Agriculture. The North Carolina Department of Agriculture cooperated in making the study.

The bulletin states that six years of depression and recovery have been responsible for many changes in North Carolina. The depression caused the displacement, unemployment, and impoverishment of thousands of farm families, there was a "back-to-the-(poorest)-land" movement of unemployed city workers and their families, and a great increase in farm tenancy in Western North Carolina.

As contrasted with this picture, there was in 1935 an increase in farm income and material welfare of all tenure classes, a movement of many displaced farm families back into tenancy and farm and home ownership, and an increase in migration and marriages among rural youths. Business activity was stimulated in rural areas, and there was some return toward a normal functioning of governmental social welfare and educational institutions.

But looking ahead, C. Horace Hamilton, author of the bulletin, says "we have found no evidence of a long-time improvement in the status of farm families. . . . There is some evidence that farm tenancy is, over a long period of time, increasing rather than declining. . . . Another long-time trend, which in time may become a regretable one, is the drift of Negroes out of agriculture. . . . The great human and social problems of agriculture remain to be solved by the oncoming generation."

Copies of the bulletin are obtainable from the North Carolina Experiment Station, Raleigh.

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ILLINOIS GROWERS URGED TO ADOPT STANDARD GRADES

Illinois growers of fresh fruits and vegetables for market were told this week by the Illinois College of Agriculture that they "may find the adoption of standardized grades and packs one method of meeting the competition of distant producers." Other recommendations included "careful attention to location of the market near wholesale houses and to making available dependable information on the quantity, quality and price of products."

Improved methods of transportation, further development of refrigerating services, precooling and special treatment for special products have made it possible for distant producing regions, it was stated, to place on Illinois markets fresh products in first-class condition

in competition with local produce.

The College said that competition with these areas requires closer attention to cost of production and to the relative value of produce offered for sale to determine what crops can be grown profitably. A new bulletin entitled "The Market for Fresh Fruits and Vegetables in Peoria" is being distributed by the College in furtherance of the movement.

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MINNESOTA REPORTS LATE BLIGHT MAY CUT POTATO CROP

The Minnesota Extension Division reported this week that "should present weather conditions continue for another month, late blight may be a factor in reducing the yield and quality of the potato crop this year. This is the first year since 1928," the Division explained, "that weather has seemed to favor a late blight epidemic, and it is especially important that growers spray their fields early with a Bordeaux mixture."

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LOUISIANA SEES CHANCE FOR MARKETING AGREEMENTS

The Louisiana Extension Division announced this week that "opportunities are now available for shippers who are handling Louisiana's many agricultural products such as strawberries, shallots, snap beans and dairy products, to work together in adjusting shipments more in keeping with market requirements.

"Marketing programs can be made by marketing agencies," the announcement continued, "to include regulations controlling the rate of shipments from the shipping point to the out-of-state market by limiting the volume shipped out during any period, prohibiting the shipment of undesirable grades or providing for diversion of the surplus of the product into other market outlets."

These opportunities are brought about, it was explained, through the marketing agreement act of 1937, which was signed by President Roosevelt on June 3. Through regulations set up by marketing agencies and allowed by this act it is possible, the Division says, "to establish and maintain orderly marketing conditions for commodities and thereby increase the returns to producers."

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NEW FUTURES TRADING REGULATIONS ANNOUNCED

New regulations for futures trading in farm products covered by the Commodities Exchange Act were announced this week by Acting Secretary of Agriculture Harry L. Brown. They require futures commission merchants and exchange members to report upon the volume of trading in each commodity on each exchange as well as upon the amount of open contracts in various futures. The grain trade has been making such reports since 1922 but traders in cotton, butter, eggs, potatoes and millfeeds will have to make such reports hereafter. Under the regulations, futures commission merchants cannot use the net equity (profit on a trade) of one customer

to carry the trades or to effect the net deficit (losses) of himself or any other customer. For the first time dealers in the cash-grain trade holding or controlling 200,000 bushels in any one future have to report weekly their net long or net short cash-grain position.

Commodities covered by the Act are wheat, corn, oats, grain, sorghums, rye, barley, flaxseed, rice, cotton, butter, eggs, potatoes and millfeed. The estimated value of the futures trading in these products is 25 billion dollars a year. The regulations go into effect August 2.

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NEW PEAK IN PRODUCTION LOANS REPORTED BY FCA

A substantial increase in the short-term farming and livestock production loan business of 550 production credit associations was recorded last month, according to an announcement by Production Credit Commissioner S. M. Garwood of the Farm Credit Administration. Loans during June totaled \$15,465,000 compared with \$12,605,000 in June last year.

"Outstanding loans on June 30 marked a new peak, \$159,438,000," Garwood said. "At the end of June a year ago the amount outstanding was about \$140,000,000. Since the production credit associations began operations a little more than three years ago, they have loaned more than \$675,000,000."

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CONTINUED GOOD FARM PRODUCTS DEMAND SEEN

The "good demand for farm products" is expected to continue during the next few months, according to the July farm price situation report by the Bureau of Agricultural Economics. Prices of farm products were reported a little higher than a month ago, and a further slight rise during the ensuing month is a possibility, it was stated.

Farmers' cash income from marketings in June probably was slightly larger than in May and not much different from income in June a year ago, it was stated. But Government payments to farmers were probably much less than in June 1936.

The Bureau added that "in view of the expected increase in marketings and maintenance of the present high level of farm prices, the July cash farm income is likely to show a markedly greater than seasonal increase over June, as it did in 1936."

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IOWA POULTRY COOPERATIVE HAS NEARLY 10,000 MEMBERS

Iowa's largest poultry cooperative, the Iowa Poultry Producers Marketing Association of Ottumwa, has reported to Iowa State College that it now has nearly 10,000 members in approximately 25 counties surrounding Ottumwa. Since the last week in March, more than 1,270,000 dozen eggs have been handled by the Association. During this period, more than 375,000 pounds of poultry have been dressed at the Association's plant. The Association discontinued on July 1 the buying of eggs on "current receipts"; henceforth all eggs will be handled on a graded basis. The objective is a general improvement in the quality of products.

MISSISSIPPI SEES ANOTHER PROSPEROUS FARM YEAR

Commissioner Holton of Mississippi Department of Agriculture stated this week that "another prosperous year in Mississippi agriculture is foreseen as cotton price is maintained in the face of increased acreage reports and optimistic yield forecasts, and as mid-July prospects for grain and forage crops are most promising Possibly the largest farm expenditure is for feedstuffs, and the present attractive crop, which is fast passing beyond the point of weather damage, means that we will likely make more bushels of grain and more tons of feed than we did last year, and consequently that more of the cotton dollars will belong to the farmers at the end of the year."

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NEW JERSEY GROWING MANY "RUTGERS" TOMATOES

About \$1,000,000 worth of tomatoes of the Rutgers variety are being grown in New Jersey this season for canhouse use, it was reported this week by the New Jersey Experiment Station. Dr. Tiedjens of the Station said that some canners are using Rutgers exclusively. About 25 percent of New Jersey's market tomato crop will be comprised of this variety, it is estimated. Dr. Tiedjens said that the Southern States also have found the variety adaptable to their growing conditions, and that reports have been received of plantings in Europe, Hawaii, Australia, and the Isle of Capri.

FAVORABLE CROP GROWING CONDITIONS in most sections of the country have resulted from normal rainfall during April, May and June, according to a report issued on July 10 by the Bureau of Agricultural Economics. Practically the only defect in the picture was said to be the poor prospects for pastures and crops in a central belt about 400 miles wide and extending from eastern Montana and western North Dakota down about 1,500 miles to south Texas.

PLANS FOR A REGIONAL RESEARCH LABORATORY, wih headquarters at Dubois, Idaho, for improvement of sheep for western ranges through the application of breeding methods were announced this week by the United States Bureau of Animal Industry. The laboratory will be the coordinating unit and headquarters for a research program in which experiment stations in 12 Western States are to participate.

THE NUMBER OF YOUNG CHICKENS on farms on July 1 was the smallest in 13 years of record for that date, it was reported this week by the Bureau of Agricultural Economics. A 19-percent reduction this year compared with last was attributed to high feed costs. The July 1 poultry and egg production report also showed a heavier than usual culling of laying flocks during June. The number of layers on July 1 was only 1.6 percent more than on that date last year, and only about 3 percent more than the record low numbers of July 1935.

MARKETS IN THE PAST FEW YEARS have shown a preference for yellow varieties of sweet corn, according to the New Jersey Department of Agriculture.

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GOOD SALESMANSHIP DETERMINES EFFECTIVE LIVESTOCK MARKETING

Good salesmanship is the basis of effective livestock marketing, according to R. C. Ashby, associate chief in livestock marketing, College of Agriculture, University of Illinois. Mr. Ashby maintains that Illinois farmers must meet centralized buying with centralized selling if their livestock is to be sold effectively.

In this respect Mr. Ashby agrees with M. P. Rasmussen, professor of marketing, New York State College of Agriculture, Ithaca, N. Y., who in a recent article discussed the growing tendency of farmers to act both as a transportation agency and salesman for their own products.

"Where a grower has the qualifications of a good salesman combined with a knack for obtaining adequate knowledge of daily market supplies and a keen sense for getting the feel of the market, this may be a desirable development," Mr. Rasmussen states. "There is, however," he says, "considerable evidence that many growers are not good salesmen and are often incapable of sizing up the market. It is alleged that such growers often destroy the price structure for the other growers by dropping prices when there is no economic justification for such a move."

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CALIFORNIA CLING PEACH GROWERS AND CANNERS CONSIDER PROPOSED MARKETING ORDER

A proposed marketing order, which would establish grading regulations and provide for an industry advertising program for canning cling peaches produced in California, has been submitted by the State Department of Agriculture to cling peach growers and canners for their written assent. The proposed order is similar in all respects to the program which was effective during last season.

The proposed order, to become effective, must be approved in writing by growers representing more than 65 percent of the total number of canning cling peach producers in California and who produced 65 percent of the total crop of canning cling peaches grown in the State last year; and by 65 percent of the total number of cling peach canners who canned at least 65 percent of the total volume of cling peaches canned in the State last year.

At the public hearing in Sacramento general approval was indicated upon the proposed order, including a number of amendments largely of a technical nature.

SUPPLIES OF DECIDUOUS FRUITS ARE GENERALLY LARGER THIS YEAR

Above average supplies of all deciduous fruits are in prospect during the 1937 season, with prices in general likely to average somewhat lower than those of 1936, the Bureau of Agricultural Economics reports in its situation release this week.

The 1937 apple crop is indicated to be a fifth larger than the 1931-35 average, with the increase due largely to greater production in some of the principal producing regions of the Central and Atlantic Coast States. Indications point to a total peach crop about a fifth larger than last year's small crop, but only slightly larger than the 1931-35 average. The pear crop is now estimated at about 30 million bushels, the largest crop on record. The largest grape crop since 1928 is indicated.

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JEWELL MAYES NEW MISSOURI COMMISSIONER_CF_AGRICULTURE

Jewell Mayes took the cath of office as Commissioner of Agriculture of Missouri, June 21. Mr. Mayes, appointed Commissioner of Agriculture by Governor Lloyd C. Stark, was confirmed by the State Senate on June 7. He succeeds J. C. Breshears of Polk County, who served a term of four years. Mr. Breshears is for the present continuing with the State Derartment of Agriculture as Assistant Commissioner.

Mr. Mayes has been constantly connected with the Missouri State Board or Department of Agriculture since February 1, 1914.

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CORNELL_TO HOLD TENTH ANNUAL EGG GRADING SCHOOL

The New York State College of Agriculture offers an egg grading and marketing school at Ithaca, N. Y., September 14 to 17, inclusive.

This is the tenth annual course of its kind. The four-day school will provide up-to-date information on the handling, candling, and grading of eggs, and afford an opportunity to egg producers, merchants, and other handlers of eggs in commerce to become acquainted with the latest developments in the industry.

An announcement from the poultry department says: "The science and art of grading eggs are more important than ever in the daily business activity of student, teacher, producer, inspector, and the commercial handler of eggs."

Instruction will be by College staff members, representatives of departments of agriculture in several States, and representatives of commercial handlers of eggs. The school is open to any person more than 18 years of age who is interested in egg grading and marketing.

Complete programs of the egg grading and marketing school will be available about August 15.

SMALLER SLAUGHTER SUPPLIES OF CATTLE, HOGS SEEN; LARGER SUPPLIES OF SHEEP AND LAMBS

The situation for beef cattle, hogs, and sheep and lambs was discussed in reports issued this week by the Bureau of Agricultural Economics.

Prices of most grades of slaughter cattle are expected to continue through late summer and early fall at higher levels than a year earlier. Slaughter supplies of cattle probably will be smaller in the last half of this year than in the same period of 1936, when drought resulted in marketings of many cattle which otherwise would have been retained on farms. Consumer demand for meats, moreover, is likely to be well maintained near the present level during the next few months, it was stated.

In the first half of the 1937-38 hog marketing year, beginning October 1, the number of hogs slaughtered will be smaller than in the corresponding period of 1936-37. Only a small decrease is expected in the total live weight of hogs slaughtered in this period, however, since average weights of hogs marketed are expected to be much heavier than a year earlier. With prospects fairly favorable for a continuation of the present relatively strong consumer demand for meats, hog prices next fall and winter probably will average as high as, or perhaps higher than in the fall and winter of 1936-37, the Bureau pointed out.

If the corn crop is about equal to the 1928-32 average, as was indicated by the July 1 crop report, supplies of corn for hog feeding will be larger than for several years. In view of short supplies of hogs in prospect, the larger supply of corn probably will be reflected in a fairly high hog-corn price ratio by late fall or early winter.

Slaughter supplies of sheep and lambs probably will continue larger than a year earlier until at least September, according to the Bureau. In contrast to conditions last year, when drought delayed the finishing of lambs for market in many areas after June, ranges and pastures generally favor a rapid finishing of this year's delayed lamb crop. Conditions before June were similar this year and last year, in that early lambs were delayed by unfavorable weather and poor pastures. A larger than usual season increase in the marketings of lambs from the Corn Belt and from the Western States is probable in the late summer. Slaughter supplies during this period, however, will depend partly upon the number of lambs which are purchased for feeding.

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FARMERS MUST CATER TO WOMEN'S TASTES IN SELLING THEIR PRODUCTS

The housewife must be considered in the disposition of most farm products, says B. B. Jones, agricultural secretary of the Agricultural Committee of the New Orleans Association of Commerce. Marketing surveys reveal that approximately 86 percent of every retail dollar is spent by women. They are becoming more and more discriminatory in their buying, and so that they may be encouraged to a wider purchase of farm products, well graded products, attractively packaged and displayed to direct attention and favor, are recommended.

PENNSYLVANIA CORRECTS LAW TO MAKE HONEY LEGAL IN BEVERAGES

The use of honey as a sweetener of soft drinks is now legal in Pennsylvania as a result of a corrected law.

The Act of 1925 requiring the registration with the Department of Agriculture of bottlers of soft drinks of carbonated beverages stipulated that such beverages must be made with cane sugar. Amendments permit the use of cane and beet sugar, honey, and refined dextrose.

Other amendments require the manufacturer or bottler to place his name and address on every bottle or cap, prohibit the use of coloring matter which misleads the public, and authorize the Department of Justice to restrain by court injunction habitual offenders.

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CHERRIES BECOMING ONE OF NEW YORK'S MOST IMPORTANT FRUIT CROPS

The importance of the cherry growing industry in New York State is hardly appreciated by the average consumer, the Department of Agriculture and Markets indicates. Next to apples, cherries rapidly are becoming the State's most important fruit crop.

More than 12,250,000 cherry trees are expected to produce a crop this year well over 900,000 bushels. Hundreds of wayside stands, grocers, hucksters, and food dealers of almost every description are offering the new crop of cherries for sale. Representatives of the Department of Agriculture and Markets describe the new cherries as "first quality" and report that the demand for them is very encouraging to market men.

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NEW JERSEY DEPARTMENT CAUTIONS PRODUCERS AGAINST UNLICENSED ITINERANT BUYERS

Producers throughout New Jersey are cautioned by the State Department of Agriculture to be particularly cautious of itinerant produce buyers who may not have been licensed since the beginning of the new fiscal year.

Rigid enforcement of the licensing and bonding laws requires milk, produce, and cattle dealers to obtain a new license for the fiscal year which began July 1, Secretary William B. Duryee explains, and he suggests that farmers should ask to see license cards and identifications before doing business with unknown dealers. All milk dealers in the State must be licensed, and cattle and produce dealers and their agents must have officially issued cards as well.

A letter addressed to the Department of Agriculture at Trenton will bring prompt information as to the status of any dealer and may serve to prevent serious losses.

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 U. S. Department of Agriculture

Vol. 17, No. 30

LOUISIANA COTTON CO-OP
TO OPEN NEW OFFICES

Several new offices will be opened in Louisiana this year by the Louisiana Cotton Cooperative Association and possibly some offices will be closed in sections where the volume has not been sufficient to make the maintenance of facilities in that section economically advisable.

This announcement was made by Sam Bass, general manager, as routine preparations were in progress this week for the coming cotton season.

Interest of Louisiana members in their Association this year has been greater than in previous years. For the first time in the history of the Association an annual meeting was held in Alexandria this year, with a large number of members present for the program worked out for the occasion.

Community meetings have been conducted in all communities where a classing office has been maintained. These meetings, featuring reports of the operations and a film strip, "Co-op Cotton Moves to Market," were attended by more than eight thousand farmers. They were conducted under the direction of Roy S. Faust, recently named assistant to the general manager.

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ACQUAINTANCE WITH N. Y. FRUIT AND VEGETABLE

MARKING LAW PROVIDED FOR IN "EDUCATIONAL PERIOD"

A further extension of the "educational period" before beginning enforcement of the so-called Pease Act was announced July 27 by Commissioner Holten V. Noyes of the New York State Department of Agriculture and Markets.

The act, passed by the 1937 legislature, provides that "every open or closed package of fruit and vegetables shipped into the markets of this State from another State, shall be marked in terms of the official standards and grades or classifications, as promulgated from time to time by the secretary of agriculture of the United States, commonly known as U.S. grades."

The law was to have become effective June 1, but uncertainties among the trade caused a decision to institute an "educational period" before beginning enforcement.

Referring to the latest extension, Commissioner Noyes said:

"The educational period for producers, dealers, shippers, and others to become acquainted with the provisions of the new fruit and vegetable marking law (Pease Act) has been extended by the Department of Agriculture and Markets for a further period.

"Active enforcement will begin not less than 30 days after publication and distribution of rules and regulations. That means that ample notice will be given to the trade. When copies of the rules and regulations are available, they may be had upon application to the Bureau of Markets, Department of Agriculture and Markets, Albany, N. Y."

ATTN WISS TROLINGER

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RETURNS FROM STRAWBERRY PLOT ARE "GOOD EXAMPLE OF THE \$1,000-PER-ACRE TYPE"

The strawberry plot of George D. Esdohr, Coon Rapids (Iowa) farmer. "Is a good example of the \$1,000-per-acre type," thinks C. V. Holsinger, Iowa extension horticulturist.

This year Esdohr sold \$875.50 from a three-quarter acre plot comprised mainly of Dunlaps and a few Everbearings. He sold 4,312 quarts of berries, had plenty of fresh fruit for the family, and has 100 quarts of berries canned for the winter.

Figuring Esdohr's home consumption (including canned berries) at nearly \$25, he grossed \$900 from his plot. He would have grossed more than \$1,100 from a full acre.

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ONE-THIRD MORE FARM SALES THIS FISCAL YEAR THAN LAST

The sale of farms by the 12 Federal land banks in the first half of 1937 aggregated \$20,937,000 compared with \$15,881,000 for the first half of 1936, according to figures released by the Farm Credit Administration.

Farmers bought 6,757 farms and 1,114 part farms from the land banks in the first six months of this year, compared with 5,496 and 894, respectively, in the like period of 1936.

In the New Orleans district, including Louisiana, Mississippi, and Alabama, 2,413 farms were sold for \$4,639,000, compared with \$3,306,000 the first half of last year.

The second largest number of properties was sold to farmers in the Pacific Northwest who bought from the Federal land bank of Spokane 885 farms for \$2,365,000.

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PENNSYLVANIA BLUEBERRY CROP AGAIN MARKETED UNDER STATE SUPERVISION

Pennsylvania's half-million-dollar wild huckleberry or blueberry crop is again being marketed this year under the careful supervision of the State Department of Agriculture to prevent heavy losses to pickers and shippers due to blueberry maggot infestation.

Prior to last year large shipments were confiscated and destroyed at the markets because maggots had developed in the berries in transit. During the 1936 harvest the Department of Agriculture placed insect traps in the berry picking areas to determine when the adult fly emerged and began laying eggs in the berries. Shippers were warned to discontinue deliveries as soon as conditions indicated likelihood of maggoty berries.

The Bureaus of Foods and Chemistry, Markets, and Plant Industry are cooperating to continue to give this service to the pickers and growers and to protect the consumer from infested berries.

FEDERAL BUREAU PROVIDES TOBACCO MARKET NEWS AND INSPECTION IN SEVERAL DISTRICTS

With the opening of the 1937 tobacco marketing season in Georgia and Florida on July 29, the Bureau of Agricultural Economics established a temporary office at Nashville, Ga., to provide the tobacco trade with market news reports during the first week of the season. At the end of that period, it is planned to provide the service from the Bureau's permanent office at Raleigh, N. C. The Raleigh office, established for market news purposes, is furnished with skylighted space for the preparation of standard grade samples. It also will be used to train new inspectors.

The markets open in South Carolina on August 10 and in the Eastern North Carolina district on August 26. The Bureau expects to furnish inspection service on two or possibly three auction markets in the latter district.

Inspection service will open at Oxford, N. C., in the middle belt flue-cured district on September 16. The Virginia fire-cured markets will open on November 29, and all markets in this district will receive inspection service.

The markets in Kentucky and Tennessee are not scheduled to open until after the first of December. Twelve markets in these States have been designated by the Secretary of Agriculture under the Tobacco Inspection Act for mandatory inspection service.

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MISSISSIPPI LAMB PRODUCERS HAVE EDGE IN MARKETING, SAYS COMMISSIONER HOLTON

Sheep are to occupy an increasingly important position in modern-day agriculture in Mississippi, predicts J. C. Holton, commissioner of agriculture of that State. Calling attention to the outstanding position Mississippi once occupied in the production of sheep and the manufacture of wool, Mr. Holton states:

"The decline in sheep production set in at the beginning of the present century, and the population of sheep and lambs declined successively from 312,000 in 1900 to 195,000 in 1910, 164,000 in 1920, 113,000 in 1925, 110,000 in 1930, and to 76,000 in 1937.

"Meanwhile, however, a revival of interest has taken place. For quite a number of years, Mississippi farmers have found that because of earlier maturity attributable to superior climate they are enabled to market spring lambs in advance of other sections of the country, and to receive attractive prices on that account. This year numerous shipments were made from several counties, totaling an increase of about 25 percent over shipments of a year ago. Wool sales are increasing in South Mississippi, and added emphasis is given by the \$150,000 woolen mill to be erected at Pascagoula which is to employ 500 people and provide a cash market for large quantities of wool."

PHILADELPHIA LAWYER DEVELOPS "SOFT" BUSINESS

A Philadelphia lawyer, who took up gentleman-farming in Berks County, has transferred the farm from his list of liabilities to his inventory of assets by marketing the feathers from his poultry, reports the Bureau of Markets, Pennsylvania Department of Agriculture, at Harrisburg.

Taking a tip from the big meat packers who process practically everything, he took an inventory of the waste by-products of his farm and investigated their money-making possibilities. He found that the United States annually imports several millions of dollars in feathers and that he could profitably market the feathers from his farm.

He is now offering to market the feathers of the poultry of his Berks County neighbors and plans to expand his feather business into other counties, the Pennsylvania Bureau of Markets announces.

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The best varieties of fruit for different seasons and for use for dessert or for canning will be assembled from the large collection growing in the orchards and vineyards of the Experiment Station at Geneva, N.Y., and arranged attractively on a regulation roadside stand to be erected in the Station exhibit at the State Fair at Syracuse in September. The display will demonstrate for the consumer what to look for in buying fruit at the roadside and for the fruit grower, what varieties to plant to cater to consumer tests.

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An Economic Analysis of Bargaining Problems of Milk Cooperatives has been issued as Circular C-104 by the Farm Credit Administration. The introduction reads in part: "The purpose of this circular is to discuss briefly some of the factors involved in pricing milk in the fluidmilk market, to direct attention to the application of statistical data and economic analyses to bargaining problems of the management, and to describe and interpret the experiences of selected associations in the collection, analysis, and use of market records and statistical information. This report has been prepared not only in answer to specific requests, but also with the hope that a much wider interest may be aroused on the part of cooperative milk associations in the analytical type of approach to their marketing problems."

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Prices of potatoes, sweetpotatoes, and a large number of truck crops for market declined during the last month under the pressure of heavy marketings from nearby producing areas, the vegetable situation report of July 28 of the Bureau of Agricultural Economics indicates. Although most of the declines were of a seasonal nature, prices generally were below those of July 1936 because of greater production this season. There are a few exceptions, such as the prices of lima beans, cantaloups, carrots, eggplant, onions, and green peas, all of which are higher than a year ago. Prices of cantaloups, eggplant, lettuce, onions, and peas also are higher than a month ago.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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August, 4, 1937

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FARM COOPERATIVE MOVEMENT
GAINS IN PENNSYLVANIA

U. S. Department of 45

A business gain over 1935 of \$2,352,135 in Pennsylvania farm cooperatives is shown in the annual reports for 1936 just submitted to J. Hansell French, Secretary of Agriculture.

Their 1935 business volume represented a gain of \$73,025 over 1934.

Last year these cooperatives did a total business of \$37,257,797.

A survey just completed by Kyle Alexander, market analyst for the State Bureau of Markets, shows a Pennsylvania membership of 24,455 in Pennsylvania Agricultural Cooperative Associations, of 1,864 in farmer corporate organizations, and of 40,641 in cooperatives chartered by other States.

Sales of milk products by cooperatives declined last year but they marketed more eggs, fruit, and farm supplies. Cooperative egg auctions increased their sales last year by 1,152,658 dozens over 1935, compared with an increase the preceding year of 593,356 dozens.

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MILK BARGAINING AGENCY HAS MEMBERSHIP OF 50,000 DAIRYMEN

Sixty-four associations consisting of about 50,000 milk producers are definitely contracted with the Metropolitan Cooperative Milk Producers Bargaining Agency, according to Charles H. Baldwin, executive secretary of the agency in his report to the board of directors at a meeting in Syracuse, N. Y., July 28.

While the majority of members are from New York State, the report showed that a considerable number are from such nearby States as Vermont, Massachusetts, Pennsylvania, New Jersey, and Connecticut, all producing milk for the metropolitan area.

The price schedule agreed upon between producers and dealers at the Syracuse meeting, for the month of August, follows:

Dealers who operate on the classified price plan will pay \$2 a hundred pounds for milk for fluid distribution; \$1.85 for milk distributed as fluid cream; and a price based on regular formulas for manufactured milk products.

Distributors who operate country plants, or take entire outputs of country plants operated by cooperatives, will pay \$1.85 a hundred pounds.

Distributors who contract for fixed shipments of fluid milk will pay \$1.90 a hundred pounds.

PARTITIONS PAY WHEN TRUCKING LIVESTOCK

Producers and shippers of livestock could do much to stop loss resulting from bruises and other injuries which livestock suffer through rough handling both at the farm and on the road to market, the Agricultural Extension Division of the University of Minnesota quotes W. A. Peck, regional manager for the National Livestock Loss Prevention Board, South St. Paul, as saying. One way is to use partitions in mixed loads of animals.

"Eighty percent of the trucks come to market with calves, cattle, and hogs all mixed together," says Mr. Peck. "Calves wet and dirty, laid on, stepped on, looking, in many instances, unfit for human consumption. Hogs under the cattle, stepped on, kicked, and preventing good footing for the cattle. Who pays? Does the producer get the price he should? Does the truck operator care? If he did care enough, calves would be partitioned off by themselves on dry straw and would come out of the truck in as good condition as they went in. Hogs, also partitioned off, would be bedded with sand, wet down in hot weather, and cattle would be assured of good footing.

Using partitions adds very little to the weight of a load, Mr. Peck says, but there is extra work and some inconvenience, especially when the load is made up from several different farms. But where there is a "will" there is a "way" as is evidenced by the number of truck operators who are using partitions. Many have worked out convenient fixtures for installing partitions to save time and to assure compact loads, instead of depending on tying with ropes, straps or wire. Many have put in side doors for loading small stuff after partitions have been put in place. Other suggestions are available to all truck operators who care to ask the University for them.

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CALIFORNIA MARKETING ORDER FOR CLING PEACH GROWERS AND CANNERS NOW IN EFFECT

The marketing order sought by California cling peach growers and canners became effective August 4. State Director of Agriculture A. A. Brock approved the order upon receipt of written assents from cling peach growers and canners representing in excess of 65 percent of the number of such growers and canners and the tonnage grown and canned. The marketing order was issued under authority of the new California Marketing Act, Senate Bill 492, enacted by the 1937 legislature.

Under the terms of the order, only number one cling peaches may be canned this year. The order establishes a cling peach advisory board to advise the Director. It also establishes committees for receiving and grading and for advertising and sales promotion. With the approval of the Director, the advisory board will expend about \$245,000, to be collected equally from canners and growers on the basis of 50 cents per ton cling peaches produced and canned, for the purpose of advertising California canned cling peaches and promoting their sale.

VOLUNTARY GRADING OF PRODUCE BECOMES WIDESPREAD IN NEW JERSEY

Voluntary grading of fruits and vegetables under official inspection has become widespread throughout New Jersey during the present growing season, William B. Duryee, Secretary of the State Department of Agriculture, announces. Inspectors are required to be licensed by the Secretary of the United States Department of Agriculture in order to qualify and be authorized to inspect and certify the quality and condition of farm products.

During this year's asparagus season, 12,850 loads of asparagus for canning and processing were inspected and certified as to grade. Cannery tomatoes constituted the largest volume inspected in 1936 and an even greater demand is anticipated for this year, while this season requests from growers and shippers are anticipated for at least a total of 5 or 6 thousand cars.

Secretary Duryee expressed the belief that State laws making produce grading compulsory in surrounding States had prompted New Jersey farmers to seek inspection voluntarily. "Farmers realize they can comcompete in outside markets more successfully and will receive better prices from distributors within the State if their produce is certified to be of a recognized, standard quality," Secretary Duryee concluded.

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MUTUAL AID FINANCE PLAN READY FOR NORTH DAKOTA FARMERS' USE

Recognizing the need for purebred sires in North Dakota, and the need for some convenient plan of purchasing on terms that will fit drought financial conditions in the State, the North Dakota Purebred Livestock Association, working with the North Dakota Rehabilitation Corporation, recently set up a nonprofit organization known as the North Dakota Livestock Mutual Aid Corporation. Officers and directors of the Mutual Aid Corporation are directors of the Livestock Breeders Association, says Howard G. Lewis, secretary of the Mutual Aid Corporation, North Dakota Agricultural College.

With a working capital of \$150,000, \$25,000 of which is now available, plans have been completed in the past few days to assist farmers in North Dakota to purchase outstanding purebred sires. This plan will shortly be put into actual operation in all counties in the State through committees known as County Livestock Development Committees. Directors of the Mutual Aid Corporation appoint these committeemen in each county upon nomination of the county extension agent.

Each borrower will pay a \$2 membership fee. The interest rate on the loan is set at $5\frac{1}{2}$ percent per annum, payable annually. The loan may be drawn for a period of 3 years, and payments are to be made in three equal annual instalments. Loans will be limited to purchase of bulls the first year. In the future it is planned that the Corporation will finance the purchase of rams, boars, and stallions.

OHIO POULTRYMEN MEET HIGH FEED, LOW EGG PRICE SITUATION

Some Ohio Poultrymen are able to defeat the adverse conditions of high feed prices and low egg prices by producing high quality eggs which bring a premium of from 2 to 5 cents above normal quotations, according to R. E. Cray, specialist in poultry husbandry, Ohio State University.

Mr. Cray says these successful flock owners watch flock management practices closely to get the eggs which sell for better prices. Only infertile eggs which are stored in a cool place and marketed frequently will meet the standards set for high quality.

Fertile eggs begin to incubate when the temperature reaches 70 degrees Fahrenheit and the only practical way to prevent such changes from occurring in hot weather is to remove all male birds from the flock during the summer months. It is almost impossible to keep fertile eggs high in quality if they are held one week before marketing.

Eggs should be gathered at least three times daily in hot weather. The extra work needed to do this is often paid for by the probability of getting fewer broken eggs and the certainty of having less dirty eggs.

Eggs gathered soon after they are laid and then cooled quickly keep much better. The cooling method used by many Ohio Poultrymen is to spread the eggs out one-layer deep on wire trays placed just above the basement floor. Farmers who have electricity often use fans to bring down the eggs' temperature quickly.

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Farmers in the vicinity of Gibson City, Ill., this spring realized an average of \$45 an acre for more than 700 acres of green peas for canning, a relatively new crop in central Illinois, according to Lee A. Somers, extension specialist in vegetable gardening, College of Agriculture, University of Illinois. The land is now replanted to late sweet corn and soybeans for hay.

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Nearly one-fifth of all the fruits and vegetables arriving in Philadelphia in 1936, either by rail, truck or boat came from New Jersey, a statement by William B. Duryee, Secretary of the New Jersey State Department of Agriculture reveals. Practically all of the New Jersey produce is moved direct to the Philadelphia market by truck.

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By growing a superior variety of sweet corn and by marketing it in distinctive containers, vegetable farmers near Creal Springs, Williamson county, Ill., were able to sell their corn to St. Louis dealers for from 5 to 10 cents a dozen higher than the market price for ordinary corn, reports Lee A. Somers, extension specialist in vegetable gardening, College of Agriculture, University of Illinois.

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COOPERATIVE MARKETING
GAINS IN LOUISIANA

Interest in cooperative marketing is increasing in Louisiana, reports B. B. Jones, agricultural secretary, Agricultural Committee of the New Orleans Association of Commerce. He looks for a considerable increase in this line of activity within the next few years.

The success of the first cooperative sugar mills in Louisiana, says Mr. Jones, has led to the construction of additional mills of this character. There are many cooperative projects now under way involving the marketing of cotton and cottonseed. The first large cooperative dairy unit in Louisiana is now in successful operation in the northern part of the State and it is expected that other such units will be considered by other communities within the near future. The Government policy of assisting cooperative groups in financing their operations has provided a great impetus to this line of marketing, Mr. Jones reports.

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LARGE INCREASE IN FEDERAL FRUIT AND VEGETABLE INSPECTIONS

Approximately 367,000 cars of fruits and vegetables, or 27,000 more than the preceding year, were inspected during the fiscal year ended June 30, 1937, the Bureau of Agricultural Economics reports.

Increased inspections by States were:

Arizona, 4,120; Colorado, 3,089; California, 4,002; Florida, 8,737; Michigan, 1,224; North Carolina, 3,262; Ohio, 6,148; Oregon, 3,317; South Carolina, 1,560; Texas, 13,381.

The following States showed the principal decreases from last year: Georgia, 3,582; Idaho, 4,046; Utah, 2,895; Virginia, 4,411; Nebraska, 2,102; New York, 2,147; Minnesota, 2,365. The decline in Georgia was attributed to the fact that inspection was not compulsory this year under the watermelon marketing agreement, certain arrangements having been made by the Control Committee for the approval of private inspectors for some shipping organizations. The decreases in the other States were primarily due to reduced carlot shipments brought about by drought or other causes.

MISSISSIPPI IMPROVING MULE COLTS: BUYS BEST SIRES

"A good two-year old mule colt is worth two or more bales of cotton," in the opinion of J. C. Holton, Mississippi Commissioner of Agriculture. He says: "An annual mule crop would add just that much to the farm income without decreasing other sources of income, and without adding to cotton surplus. In addition, Mississippi needs larger farms and better cultivated farms, and an abundance of animal power would contribute as much as any other factor to increase income from general sources.

"Over a long period of years, we have imported an overwhelming percentage of our mules and horses from distant States", Mr. Holton comments. "This has involved a cost of several million dollars annually, and has always constituted a heavy drain on farm resources.

"More lately, our farmers are buying the best pure-bred sires in the Nation, along with more and better mares, for cultivating crops and producing colts. * * *"

According to official statistics, there are 357,000 mules and mule colts, and 81,000 horses and horse colts on State farms, valued at \$46,083,000 and \$7,044,000. The exact number required annually for replacement is not known, but is estimated at not less than 10 percent.

CALIFORNIA STANDARDS EFFECT BETTER CITRUS SHIPMENTS

"Quality fruit, well packed, honestly marked, and delivered in first class condition brings higher prices in eastern markets than fruit of doubtful quality, badly packed, dishonestly marked, and delivered in poor condition. Buyers are fully aware of the tricks and devices sometimes employed to deceive them as to the condition and quality of fruit offered for sale, but once a brand has been established over a satisfactory period on a basis of high quality and uniform packing, buyers readily accept fruit of that brand practically at face value."

These are among the more important of conclusions reached by H. W. Poulsen, assistant chief of the Bureau of Fruit and Vegetable Standard-ization, California Department of Agriculture, who has just returned from a survey of California fruits arriving in eastern markets.

Inspecting fruit shipped from California and arriving in Pitts-burgh, Chicago, Philadelphia, and New York, the California official made a special point to determine if California citrus fruit was arriving in first class condition in view of extensive damage to the crop by heavy frosts early in the year.

Buyers and representatives of fruit auctions told him, Mr. Poulsen said, that California citrus fruit shipped to them had shown less damage following the very severe frost than had been the case following freezes in former years. When shipments began rolling buyers were doubtful of the quality of California citrus fruit, he was informed, but when the fruit arrived in first class condition with a minimum of freeze damage, the buyers' faith was restored and confidence in California citrus fruits was maintained.

"Enforcement of the fruit standardization laws may have appeared very strict at home," said Mr. Poulsen, "especially to those ranchers and packing house managers who saw much of their crops reconditioned or inspected. However, if ranchers could have been on the other end of the orange deal, I am sure they would have agreed heartily that standardization law enforcement was not too severe when the high stakes were considered."

PENNSYLVANIA ISSUES GRADE MARKING RULES

Official rules and regulations for the marking of the grade on closed packages of potatoes and grapes have been announced by J. Hansell French, Pennsylvania Secretary of Agriculture. They are effective August 20.

The recent State legislature amended the Grape Act to include potatoes under the provision making it compulsory to mark the grade on closed packages where the packing or repacking was done in Pennsylvania.

Potato growers drafted the measure for the protection of the consumer and grower. James L. States, acting director of the Bureau of Markets will be in charge of enforcement.

Potatoes and grapes must be graded according to the standards of the "United States Grades." Other rules and regulations can be learned by writing Mr. States.

The State Secretary also has established official colors for the identification of the various grades of farm products. Colors long in use and uniformly adopted by producers and shippers have been accepted by the State Department of Agriculture as official.

They are: blue, first grade; red, second, grade; green, third grade; and orange, fourth grade.

After October 22, 1937, it will be unlawful to use these colors on packages, labels or tags for the shipment or sale of farm products except where the contents of the package meet the standards or specifications of the grade corresponding with the color.

The order affects agricultural, horticultural, and floricultural products, vegetables, fruit, livestock, meats, wool, hides, poultry, eggs, dairy products, nuts, mushrooms, and honey. The work will be administered by Mr. States of the Bureau of Markets.

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FIVE POINTS OF CAUTION IN BUYING FEEDER STEERS OUTLINED

Caution at five different points in buying feeder steers may pay large dividends this fall suggests R. C. Ashby, associate chief in livestock marketing, College of Agriculture, University of Illinois.

"First consideration," he says, "is a declining cattle market a few months hence. In six or eight months fed steers may be selling for little more a pound than they cost as feeders. Therefore in laying in his cattle, the feeder should decide about when he expects to market and what he expects fat cattle to sell for at that time.

The second point of caution as outlined by Mr. Ashby is that plainer feeders may show better margins this year, if marketed from January to June, than quality cattle will show, In buying plainer feeders, sorting is important to know, he says. The third point is that it may pay to wait until the main rush is over before buying; and the fourth a suggestion to get the best possible advice and assistance in buying feeders. There is every indication that plenty of feeder cattle will be brought too high this fall, says Ashby. It is a year when good advice may save the feeder a lot of money.

VEGETABLE crop specialists at the Experiment Station at Geneva, N. Y., have embarked upon a muskmellon breeding program which is now going on continuously throughout the year by utilizing the Station greenhouses for the production of asecond crop after the outdoor season is past. They believe that the muskmellon industry in New York State could be greatly expanded to the benefit both of the producer and the consumer if there were more high-quality varieties available,

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DON'T use milk bottles for garden borders. Don't use milk bottles for paint pots. Don't use milk bottles when you buy cider in bulk from the barrel. Don't use milk bottles for any other purpose than to contain milk or cream.

These "don'ts" are suggested by the dairy service of the California State Department of Agriculture, which calls attention to a State law which makes it a misdemeanor to use milk bottles for any thing except milk.

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TOTAL RECEIPTS at the New Orleans Stockyards for the 12-months period ending June 30, 1937, totaled 22,128 head greater than for the year ended June 30, 1936. The total receipts of 198,475 head were made up of 158,977 head of cattle and calves, 38,473 hogs, and 1,025 sheep. The largest gain in receipts was made in the case of calves and hogs.

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A HEARING was held in Stockton, Calif., August 10, upon the proposed designation of the San Joaquin fluid Milk marketing area and upon a proposed stabilization and marketing order for fluid milk and fluid cream sold within the area. The purpose of the hearing was to enable interested persons to be heard upon the proposed area and plan drawn to conform with the Young Milk Control Law as amended at the 1937 session of the California legislature.

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WOOL PRICES in the domestic market probably will remain near present levels for the nest few months, the Bureau of Agricultural Economics reports. While domestic mill consumption has declined from the high rate of the first quarter of 1937, supplies in the United States are still below average and demand continues relatively favorable.

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FARM PRICES of eggs this fall are expected to fluctuate near the prices received in the fall of 1936, the Bureau of Agricultural Economics reports. The larger storage stocks offset, in their effect on egg prices, the higher incomes of last fall. Should incomes fail to be maintained, however, a lower price than in 1936 is likely.

The farm prices of chickens was not depressed, apparently, by the relatively large storage stocks of poultry at the end of the out-of-storage season, the Bureau says. The prospect for chicken prices therefore is for a less than average seasonal decline from now to December, and an advance is possible.

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MANY FARMERS TAKE PART

IN CALIFORNIA MARKETING PLANSDepartment of Agriculture

Nearly 31,000 California producers, handlers, processors and distributors of farm products have taken part in State marketing plans under marketing laws passed in 1935 and 1937, it was reported this week by Theodore Macklin, Chief, Division of Markets, California Department of Agriculture.

Dr. Macklin said that prior to July 1, 1937, stabilization and marketing plans had become effective for 12 groups of fluid milk producers covering various marketing areas of the State. He reported that under these plans producers of Class 1 fluid milk are receiving on an average 16.64 cents per pound milk fat more than the prices prevailing before the plans went into effect.

Two State-wide California industries - the walnut industry, and the orange and grapefruit industry - are operating under provisions of the California Agricultural Adjustment Act. Four industries - canning asparagus, canning cling peaches, macaroni, and deciduous fruit and almond tree nursery stock - are operating under the California Marketing Agreement Act of 1935, and 2 industries - fresh Bartlett pears and canning cling peaches - have applied for marketing orders under the California Marketing Act of 1937.

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NEW YORK FORECASTS "FACTORY-MADE" EGGS

Producing eggs in empty factories and other buildings near large cities may by the next "wrinkle" in the poultry world, it was suggested this week by L. M. Hurd of the Cornell Agricultural Extension Service. This development, he said, depends on progress with "laying batteries" in which hens are housed in individual cages one above the other, several stories high. Laying batteries are still in the experimental stage, though favorable results have been reported by New Jersey, Pennsylvania, and Ohio agricultural experiment stations, he declared.

Professor Hurd thinks the system "is adapted to localities in or near larger towns and cities where land valuations or zoning regulations make the usual plant impractical."

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"FARM TENANCY in the United States, 1918-1936 - A Selected List of References" is the title of a new bibliography recently issued by the Bureau of Agricultural Economics.

ATTN MISS TROLINGER

ILLINOIS PIGS SWITCHED FROM CORN TO WHEAT

Completion of wheat harvest has seen pigs which had been getting a full feed of corn switched to wheat on many Illinois farms, it was reported this week by E. T. Robbins of the Illinois Extension Service. The new wheat crop, he said, is helping many farmers to continue to push their early spring pigs along for sale in August or September. In most cases the wheat is coarsely ground and given dry, which is said to give as good results as mixing the ground wheat with water.

Concurrently, it was reported by M. L. Mosher, professor of farm management at Illinois College of Agriculture that "Illinois farmers who make a practice of marketing their spring pigs in the fall produce pork at lower costs than those who carry the pigs over until January 1." The annual report of farm bureau-farm management service on 466 farms of north central Illinois shows, he said, that spring pigs marketed in the fall of 1936 had 57 cents a 100 pounds less feed cost than pigs carried over to the first of the year.

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PENNSYLVANIA EGG AUCTIONS RAISE PRICES

Secretary French of the Pennsylvania Department of Agriculture reported last week that farmers who sold eggs through Pennsylvania's six cooperative auctions during the second quarter of the current year received higher than market prices and felt only slightly the extreme fluctuations which characterized regular markets during that period.

"The auctions have again demonstrated their value as a stabilizing influence," he said. The six auctions are the Bucks County, Butler Cooperative, Coatsville, Lancaster County, Lehigh Valley and Tri-County auctions. On Apri. 15 when Pennsylvania eggs were selling for an average farm price of 22.4 cents per dozen, the average auction price for extra large white eggs was reported at 25.95 cents.

During May the State average fell to 20.7 cents but the auction average declined less than three-fourths of a cent. From May 15 to June 15 the State average remained virtually stationary but the auction average jumped to 27.03 cents a dozen.

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GOOD CONSUMER DEMAND FOR FARM PRODUCTS REPORTED

Consumer demand for farm products is expected to be relatively stable during the next few months and probably for the remainder of 1937, the Bureau of Agricultural Economics said this week on the basis of its current outlook of business conditions affecting farm buying power.

The Bureau expects higher domestic wheat prices within the next few months, fluctuating corn prices, continued high flaxseed prices, "fairly good" prices for most types of tobacco, the usual seasonal decline in hog prices this fall, continued high prices of the better grades of slaughter cattle, and the usual seasonal rise in butter prices.

It was stated that the United States is still in the "advancing phase" of the business cycle.

MID-WEST FROZEN EGG INDUSTRY EXPANDING

Expansion in the frozen egg industry of the Middle West will serve to check the rate of growth of commercial egg farms in eastern seaboard states and the Pacific Coast, it was stated this week by Charles A. Urner of the Urner-Barry Company addressing officers and directors of the Northeastern States Association of Egg and Poultry Distributors in session at New Brunswick, N. J.

Urner said that 170,000,000 pounds of frozen egg meat - the equivalent of nearly 5,000,000 cases of shell eggs - were stored this year. He expressed the opinion that "the next 20 years will witness a much wider use of frozen eggs, not only by hotels, bakers, and manufacturers, but in the homes as well.

Recent growth of the frozen egg industry was ascribed to the need for increased efficiency and lower costs of distribution. The breaking and freezing of eggs in the country, Urner said, cuts losses from breakage and quality deterioration.

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CALIFORNIA LAW REQUIRES LAPELING OF CHEESE

All cheese sold at retail in California must be labeled according to its variety, and marked as to whether it is whole milk cheese, part skim milk, or skim milk product, according to the California Department of Agriculture. If manufactured in California, the cheese must show the factory number of the establishment where it was made. If the cheese comes from outside the State, it must be marked with the name and address of the manufacturer or distributor.

Cottage cheese to which cream has been added in sufficient amount to produce a product containing at least 4 percent of milk fat must be labeled "Creamed cottage cheese". If cream has not been added, or if the product contains less than 4 percent of milk fat, the cheese must be labeled "Uncreamed cottage cheese."

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TEN REPRESENTATIVES GO TO WORLD'S DAIRY CONGRESS

Ten representatives of State and Federal dairy agencies in the United States, appointed by President Roosevelt, are en route as official delegates to the 11th World's Dairy Congress in Berlin, August 22 to 28. The delegation is headed by O. E. Reed, Chief, U. S. Bureau of Dairy Industry. Other members are Dr. E. W. Gaumnitz, Agricultural Adjustment Administration, C. W. Kitchen of the Bureau of Agricultural Economics, Dr. A. C. Dahlberg, of the New York Agricultural Experiment Station, H. P. Davis of the Nebraska College of Agriculture, Fordyce Ely of the Kentucky College of Agriculture, Dr. C. L. Roadhouse of the California College of Agriculture, A. W. Rudnick of the Iowa College of Agriculture, C. N. Shepardson of the Texas College of Agriculture, and T. G. Stitts of the Farm Credit Administration.

The Congress is sponsored by the International Dairy Federation which is composed of 22 European countries and Canada and Argentine. The United States is not a member.

TENANT LEASES SHOULD DIVIDE INCOME FAIRLY

The key to good tenant farming is a farm lease that provides for a good system of farming and that divides the profits equitably between landlord and tenant, according to H. C. M. Case and Joseph Ackerman of the Illinois Extension Service.

"Two major problems need to be considered in drawing up a farm lease," say these economists. "They are a fair division of the income and expenses between the landlord and tenant and provision of a system of farming that will maintain the productivity of the farm at a high level."

A circular, "Farm Leases for Illinois", by Case and Ackerman, is obtainable from the Illinois Extension Service, Urbana, Ill.

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A STABILIZATION and market plan for fluid milk sold by producers to distributors for sale or distribution in the San Joaquin (California) marketing area will go into effect August 23.

A MORE PLENTIFUL SUPPLY of fats and oils used in the manufacture of soap was reported this week by the Bureau of Agricultural Economics in its August "Fats and Oils Situation". Increased production of major soap fats during the first half of this year compared with last was reported.

MIDSUMMER PRODUCTION of eggs has continued at a record level, according to returns tabulated this week by the Bureau of Agricultural Economics. Production by farm flocks as of August 1 was the largest per 100 hens for that date in the Bureau's 13—year record.

NEW REGULATIONS in New Jersey require that cattle imported into that State shall have originated only in accredited herds or modified accredited areas. The regulations permit importation of cattle from states having modified accredited areas, operating under a 6-year test plan, as practised in the large dairying states of the West.

A MACHINE which folds pieces of heavy paper into boxes, coats them with hot paraffin, cools the paraffin, fills the cartons with milk, and hermetically seals and staples the top has been developed by the dairy department of the University of Illinois.

A LESS-THAN-USUAL seasonal increase in slaughter supplies of hogs this fall and early winter is in prospect, it was reported this week by the Bureau of Agricultural Economics. Reason is the large corn crop which will induce farmers to feed hogs to heavier weights.

A DIGEST of decisions of the Secretary of Agriculture under the Perishable Agricultural Commodities Act is obtainable from the Bureau of Agricultural Economics.

HERBERT D. COPELAND of Anacostia, D. C. is the new president of the Northeastern Poultry Producers Council. He succeeds James E. Rice of Trumansburg, New York, who has been named chairman of the World's Poultry Congress scheduled for Cleveland during July 1939.

MARKETING ACTIVIS

". Department of Agriculture

AND OTHER ECONOMIC WORK

A REVIEW OF CUPRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

August 25, 1937

Vol. 17, No. 34

CALIFORNIA GETS CONVICTION UNDER BEE BRANDING LAW

First prosecution under the California law enacted in 1935, which prohibits the removal or alternaton of brands on beehives or honey equipment, was reported this week by the California Department of Agriculture.

The defendant was found guilty of possessing honey frames from which the brands had been planed and gouged out with a chisel, in violation of the Agricultural Code relating to the branding of bee equipment. He was fined \$50 and given the alternative of serving 25 days in jail.

State supervising apiary entomologist H. M. Krebs stated that "the purpose of the law is to discourage the theft of bee equipment which, for some time in the past, was extensive over the State. Under the law, an apiarist is assigned a number by the Department of Agriculture, and given the right to brand his equipment with this number. No other person may use the number, nor remove it from any bee equipment. Removal of the brand must be authorized by the Department."

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ILLINOIS FARM FAMILIES SPENDING MORE MONEY

Analysis of expenditures and savings by 240 Illinois farm families keeping home accounts last year shows that these families spent more money for recreation, automobiles and other personal items in 1936 compared with 1935, it was reported recently by the Illinois College of Agriculture.

The College said that one-fourth of these Illinois families replaced old cars either with new ones or later models. The amount spent on recreation averaged \$37 for each family, which was the highest since 1932. One family out of every three reported a trip of some kind, ranging in cost from \$2 to \$520.

Education expenses did not increase much, although one-third more children were attending college in 1936 than in 1935. Money spent for medical care did not increase, a fact which raises the question, it was stated, as to whether the families were above average in health or whether they were not availing themselves of the opportunity to have adequate care of both the preventive and curative type.

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"DEMAND DEPOSITS OF COUNTRY BANKS" is the title of a technical bulletin recently issued by the Bureau of Agricultural Economics. The bulletin discusses among other things the relative importance of banks in places of less than 15,000 population as sources of agricultural credit.

ATTN MISS TROLINGER

NEW MEXICO DEVELOPS NEW EGG MARKETING SYSTEM

A new agg marketing system of producing and marketing eggs on a quality basis is being developed in the Plains counties of eastern New Mexico, it was reported this week by the New Mexico Extension Service. Producers and buyers are cooperating with the Service to eliminate the "one price for all eggs" practice. Educational meetings are being held with producers and dealers, and packers reported to be paying premiums for quality eggs. Truckers report better markets for the high quality products.

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NEW YORK FRIEGHT RATE RISE IS SUSPENDED

Commissioner Holton V. Noyes of the New York Department of Agriculture and Markets was informed this week by the Interstate Commerce Commission of the suspension of proposed increases in frieght rates on fruits, vegetables and hay. The increased rates the Commissioner said, would have added \$600,000 a year to the frieght bill of New York State shippers. The suspension will continue in effect at least until next March 15. Meanwhile, an investigation of the rate structure will be made by the Interstate Commerce Commission and the New York State Public Service Commission.

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ILLINOIS CHEESE INDUSTRY EXPANDED IN RECENT YEARS

Twenty million pounds of cheese will be manufactured in Illinois this year, according to estimates by the Illinois Extension Service. This represents a marked increase in recent years, it was stated. Indicative of the gain the Service reported that about 17,000,000 pounds of American cheddar was made in the State in 1935 as contrasted with less than 7,000,000 pounds annually during the period 1929 to 1933.

The Illinois Cheese Manufacturers Association was reported as cooperating with the Extension Service in a campaign to improve the quality of the cheese and the conditions of manufacture. The campaign consists of a contest in which 14 factories are being rated for production cleanliness and quality of product. The Service reported that one improvement in the manufacture of cheese in Illinois is the use of pasteurized milk.

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WEST COAST GROWERS ADVERTISING FARM CROPS

Lettuce growers in California and Arizona recently completed the first phase of a 12-month advertising campaign, during which \$200,000 will be spent on newspaper and radio advertising, and dealer service. A business journal recently said that the results have been so satisfactory that a \$50,000 campaign was launched in July to advertise melons, and that next year, there will be one for carrots. The melon campaign was reported as being backed by 100 percent of the growers in Arizona, and by 75 percent of those in the Imperial Valley of California.

NEW JERSEY CHANGES POULTRY CONTROL PLAN

Major changes in the New Jersey plan for poultry breed improvement and pullorum disease control to be used during the coming season have been announced by Secretary William B. Duryee of New Jersey Department of Agriculture.

One revision requires that all display advertising material from breeders and hatcherymen under State supervision must be submitted to the Department before publication. Classified advertisements must be sent to the Department as soon as published.

A second change involves that of providing a classification for flocks to be tested for pullorum disease without application of any of the breeding stages. Flocks qualifying in this classification will be called New Jersey U. S. Pullorum Tested, Passed or Clean. In former years, these flocks were offered as Cross-bred flocks.

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AUCTION MANAGER WOULD MAKE CONSUMERS "EGG CONSCIOUS"

Ways to increase the consumer demand for eggs produced in the Northeastern States were urged upon poultry and egg cooperative association representatives in session at New Brunswick, N.J. last week. The speaker was Sanford E. Alger, Jr., of the Brockton (Massachusetts) Cooperative Egg Auction Association.

He said that "the first thing to do in regaining and expanding sales of eggs is to establish more uniform standards of quality and identify such eggs with a trade name, carton or seal so that the house-wife can always be assured of value for money expended." Describing the methods of the Brockton Auction, he said that a trade named carton was first adopted and advertised in newspapers and trade journals. A salesman was employed to contact stores, give sales talks and distribute literature to advance consumer knowledge of eggs. Window posters, recipes, and educational films were distributed.

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CALIFORNIA LAW REQUIRES GRADING OF NURSERY STOCK

The California Department of Agriculture has put into effect the new California nursery grades and standards law enacted at the 1937 session of the State Legislature. It requires that all nursery stock shall be labeled with its proper name. In the case of ornamental plants, the botanical name must be used. In addition, the grade of the stock must be indicated on the tag. The standards are named in the law for each type of nursery stock. Violations are a misdemeanor.

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A SELECTED BIBLIOGRAPHY on agricultural engineering has been issued by the Bureau of Agricultural Engineering, U. S. Department of Agriculture. It lists more than 2,200 authors and more than 3,500 publications. Principal topics deal with drainage, irrigation, machinery and power, house and building construction, sewage disposal and water supply.

CASH FARM INCOME TO TOTAL NINE BILLIONS

Cash farm income from marketings and Government payments this calendar year will total \$9,000,000,000, according to estimates released this week by the Bureau of Agricultural Economics. This compares with \$7,865,000,000 in 1936, and was reported the highest for any year since 1929 when income from marketings totaled \$10,479,000,000.

Dr. A. G. Black, Chief of the Bureau said "this is the fifth successive year in which farmers' cash income has increased over the previous year." Another feature, he added, is that "this year farm income will be more evently distributed over the entire nation, in contrast with recent years when droughts sharply reduced production in many areas.

"The major concern at this time," he said, "is that of continuing the improvement in the economic position of agriculture. In the case of wheat, for instance, the improved situation this year comes in the wake of relatively small crops in the United States for four years, of small crops in Canada five years and small crops of wheat in Argentina, Australia and other producing areas in recent years. A series of normal crops such as we have had in most of the United States this year would change the world situation on wheat from that at present when the world supply is below normal to a situation where the supply would be above normal."

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A SEVEN PERCENT INCREASE in production of milk as of August 1 this year compared with last was reported this week by the Bureau of Agricultural Economics. Production per cow was said to be the largest for August since 1929, and the outlook, the Bureau added, "is for a relatively heavy production during the next few months."

MANY FARMERS in several Minnesota counties will go into the 1938 seed period with a good supply of registered wheat and barley seed as a result of pure-bred seed demonstrations carried on in these counties this year, it was reported by the Minnesota Extension Service this week.

CONSUMERS ARE DEMANDING better grading, packing and shipping of produce, the Northeastern Poultry Producers Council in session at New Brunswick, N.J. this week was told by John A. Logan, executive vice-president of the National Association of Food Chains. He said that "one of the best ways to meet this insistence for quality is through farmer cooperative organizations."

HIGH QUALITY rather than price should be emphasized by farmers selling dairy products at roadside stands, says Dr. R. S. Breed of the New York State Experiment Station at Geneva, writing in the current issue of the Station's quarterly magazine "Fzrm Research." Fruit and vegetable growers have already learned, he says, that the most profitable roadside business is based on high class products.

THE USE OF SIEVES and cleaning devices under the United States Grain Standards is explained in a mimeographed report obtainable from the Bureau of Agricultural Economics.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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September 1, 1937

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Vol. 17, No. 35

PENNSYLVANIA PUTS
FOOD LAWS INTO EFFECT

Seven new pure-food laws went into effect today in Pennsylvania. The Pennsylvania Department of Agriculture, which administers them, says that the laws give added protection to Pennsylvania producers and consumers, increase the hazards of the illegitimate dealer, protect the legitimate dealer and manufacturer, and make possible the better enforcement of the Pennsylvania pure-food code.

The new legislation authorizes the State Bureau of Foods and Chemistry to adopt standards and definitions for food products, the right to seize contaminated or adulterated food, the weapon of the court injunction to cope with the habitual lawbreaker, and the force of more severe penalties for third and subsequent offenses. It also prohibits specific acts of food adulteration not heretofore covered by statute.

An important departure is the regulation of foods and non-alcoholic beverages manufactured in other States and sold in Pennsylvania. After September 1 these must be registered and comply with all sanitary regulations.

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MINNESOTA REPORTS GROWING COLD-STORAGE LOCKER BUSINESS

A bulletin was issued this week by the Minnesota Extension Division reporting an expansion in the business of building and renting coldstorage lockers in Minnesota. This business was started in the State only two years ago. Now there are 28 of these plants in operation or under construction. They provide freezer-storage space to individuals for the storage of food products, as well as pre-cooling and processing service for meats farm-killed or killed at the plant or slaughterhouse connected with the plants. Advantages and disadvantages of this service are described in the bulletin.

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NEW YORK CANTALOUPE INDUSTRY IN DANGER

The New York Experiment Station reported this week that "a wilt disease of cantaloupes that results in a total loss of the crop in commercial varieties where it becomes well established in spreading into the important melon-growing sections of the western part of the State."

Tests at the Station have shown that "once the soil in a melon field

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becomes infected with the wilt organism it undoubtedly remains diseased for a number of years. Similar wilts of cabbage and tomato are known to persist in certain soils for fifteen years. The remedy is to plant seed from healthy plants, to avoid planting on infected soil, and ultimately to develop resistant varieties."

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NORTH DAKOTA FARMERS_ BUILDING ROUGHAGE STOCKS

North Dakota farmers are laying up "mountains" of roughage for use this winter against the possibility of a shortage of feed, it was reported this week by the North Dakota Extension Service. It was stated that "stacking of all usable roughage, including Russian thistles, pigeon grass and wild sunflowers has been observed in many sections of south central North Dakota," and that "trench and other temporary types of silos are being built to store feed."

Many livestock owners were reported storing a two or three year supply of feed.

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BUREAU REPORTS CN TOBACCO SHRINKAGE STUDY

A bulletin was released this week by the Bureau of Agricultural Economics giving the results of a four-years' study of tobacco shrinkage and weight losses. The Bureau learned that tobacco, from the time it leaves the hands of growers until it is placed in process of manufacture, may lose as much as 45 percent in weight from shrinkage and other causes. Losses vary with the different types of tobacco, ranging from 31 percent on flue-cured which is used chiefly in the manufacture of cigarettes, to as much as 43.5 percent on some cigar filler types. Tables of losses on each of the different types are contained in the bulletin.

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ILLINCIS SEEKS TO IMPROVE CFE M QUALITY

The Illinois Extension Service reported this week a cooperative project with the State and Federal departments of agriculture aimed at improving the quality of cream produced and purchased in Illinois. The Service stated that proper handling of cream would improve the quality and increase the demand for Illinois butter which now averages annually more than 67,000,000 pounds.

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FARM PRICE INDEX OFF TWO POINTS IN MONTH

A 2-point decline during the past month carried the farm price index down to 123 as of August 15, compared with 125 on July 15, and with 124 on August 15, it was reported this week by the Bureau of Agricultural Economics. The drop during the past month was attributed to

improved crop prospects, and an adjustment of prices toward a new-crop basis. Farm prices of meat animals and miscellaneous crop items went up sharply during the past month, dairy and poultry products advanced seasonally, but grains, cotton and fruit were sharply reduced in price.

NORTHEASTERN PCULTRY COUNCIL ADOPTS RESOLUTIONS

Resolutions supporting a consumer education campaign on poultry and eggs, authorizing affiliation with the National Poultry Producers Federation, proposing a study of the advisability of establishing a farmer-owned live auction in New York City, and recommending an economic survey of the poultry industry in the United States were adopted at the recent annual summer meeting of the Northeastern Poultry Producers Council at New Brunswick, N. J.

The Council voted to raise a minimum of \$10,000 from the poultry producers of the Northeast "to enable our Consumers' Education Committee to meet the challenge of the Northeastern Feed Manufacturers who have offered to give substantial aid to any adequate publicity plan for Northeastern eggs and poultry, planned by the organized poultrymen of the Northeast."

The Council stated "it is believed that a farmer-owned live poultry auction on the proposed Live Poultry Public Terminal in New York City offers great prospects for establishment of a yardstick for changes and trade practices and to establish open cash trading as the basis for government quotation of the live poultry market."

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KANSAS CITY MARKET NEEDS ARE SURVEYED

A report of a survey of conditions in the wholesale fruit and vegetable market in Kansas City, together with an analysis of proposals for a new market, was issued this week by the Bureau of Agricultural Economics. The survey was made with the cooperation of the Missouri and Kansas Experiment Stations, but the conclusions and recommendations are of the Bureau of Agricultural Economics.

In a summary it is stated that the present wholesale market does not adequately serve the city and the surrounding areas, and that a new market would make possible substantial savings in the cost of distribution. The market, it was stated, should be designed to serve not only the metropolitan area of Kansas City but also the cities and towns in the surrounding territory — an area which includes a substantial part of the States of Missouri and Kansas and small parts of nothern Arkansas and Oklahoma and southern Iowa and Nebraska.

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NEW CALIFORNIA EGG LAW NOW IN EFFECT

A new egg standardization law went into effect in California on August 27. The grades of quality and weight are practically the same as under the former law which was repealed by the 1937 Legislature, but markings including grade and size are required in more transactions now

than heretofore. The new law provides that it is unlawful to prepare, pack, place, deliver for shipment, place in storage, deliver for sale, store, load, ship, transport, or sell eggs which are mislabeled or deceptively packed. The standard of sizes - "Large," "Medium," "Small" and "Peewee," are the same as heretofore.

The law requires that all chicken eggs in containers or in bulk be plainly and conspicuously marked with the full, correct and unabbreviated designation of size followed by designation of quality according to the standards as prescribed. Also, all containers must be marked clearly and conspicuously with the name and address of the producer, wholesaler, retailer or agent by or for whom the eggs were graded or packed.

Detailed specifications of the law are obtainable from the administrating agency, the California Department of Agriculture, Sacramento.

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SECRETARY WALLACE ANNOUNCES TENANT ACT ADMINISTRATION

Administrative changes to enable the United States Department of Agriculture to carry out the purposes of the Bankhead-Jones Farm Tenant Act were announced today by Secretary of Agriculture Henry A. Wallace.

The Farm Tenant Act authorizes the Secretary of Agriculture to lend money to farm tenants in order to help them become farm owners, to make rehabilitations loans to farmers for subsistence, improvement, and other purposes, and to develop a program of land utilization, including the retirement of submarginal land.

Secretary Wallace announced that he had assigned responsibility for the first two purposes - tenant loans, and rehabilitation loans - to the Farm Security Administration, which as of September 1 would be the official name of the Resettlement Administration.

Responsibility for the development of a program of land utilization and retirement of submarginal land was assigned to the Bureau of Agricultural Economics. Dr. L. C. Gray, until September 1 the Assistant Administrator of the Resettlement Administration in charge of land utilization, was named by A. G. Black, Chief of the Bureau of Agricultural Economics, to the new post of Assistant Chief in charge of land utilization.

Secretary Wallace also announced the appointment of the board of directors of the Farmers' Home Corporation, as provided for in Title IV of the Farm Tenant Act. Members of the board are Harry L. Brown, Assistant Secretary of Agriculture; A. G. Black, Chief of the Bureau of Agricultural Economics, and Will W. Alexander, Administrator of the Farm Security Administration.

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AMENDED STANDARDS for milled rice and for brown rice were recently announced by the Bureau of Agricultural Economics. Official standards for split-peas, for table grapes, and for sawdust pack grapes also were issued.

LIVESTOCK RATIONS per animal may be the biggest in fifteen years in view of the big feed grain crops now in prospect and the fewer grain consuming animals to eat them, the Bureau of Abricultural Economics said this week. Total production of the four feed grains — corn, oats, barley, and grain sorghums — was estimated at about 101,000,000 tons, on the basis of the August 1 crop report.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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September 8, 1937

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NEW SEED VERIFICATION REGULATIONS ANNOUNCED F 1 3 1937

Modifications in the regulations covering the Seed Verification Service, designed to improve further the conditions under which alfalfa and red-clover seed for sale to farmers and others are verified as to origin, were announced this week by A. G. Black, Chief, Bureau of Agricultural Economics.

The New regulations provide that tags verifying the origin of alfalfa and red-clover seed cannot be attached to lots of seed for sale unless the seed meets specified minimum standards of germination, purity and noxious weed seed content. The regulations also require that analysis tags be attached to all shipments of alfalfa and red-clover seed in all cases where the Bureau authorizes the use of an official tag verifying the origin of the seed. The regulations also limit government verification of origin to domestically grown seed.

Dr. Black explained that, under the new regulations, every bag of alfalfa and red-clover seed bearing a tag verified-origin-seedcertificate must also bear an analysis tag showing the seed to contain not more than 1 percent weed seed, purity of 98 percent or better with a tolerance of 2 percent of other crop seeds, and a minimum of 65 percent of live, pure seed. The quantity of noxious weed seeds may be no more than is allowed under the laws of the State into which the seed is shipped.

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APPLE SHIPPERS WARNED AGAINST USED CONTAINERS

Commissioner Holton V. Noyes of the New York Department of Agriculture and Markets issued a warning to apple shippers this week in connection with the use of second-hand containers. He said that although the use of such baskets is not a violation of the Federal food and drug laws, a violation occurs if the old brands and labels are not those of the current packer. Cleanliness also may be impaired. The statement followed one by the Food and Drug Administration reporting an "extensive and rapidly increasing use of second hand apple backets bearing marks and labels not applicable to the fruit in the package."

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PENNSYLVANIA laws now require that all closed packages of grapes and potatoes sold in that State must be marked with the grade, the contents in cubic measure or weight and the name and address of the packing authority. There are regulations also covering sizes of bushel and peck bags, and colors for labels and tags.

COMMISSION MERCHANTS ASKED TO REPORT ACCOUNTS

Nine hundred futures commission merchants registered under the Commodity Exchange Act were asked this week by J. W. T. Duvel, Chief of the Commodity Exchange Administration, to report concerning every commodity account controlled through power of attorney or otherwise by any person other than the owner. The Administration wants to know the extent to which individual traders turn over to other persons management of their trading accounts.

Dr. Duvel said "there is reason to believe that not all persons who control accounts having an aggregate open interest of 200,000 bushels of grain are reporting their operations daily, as required by the Act. Failure to report is punishable by a fine of \$10,000, or one year imprisonment, or both."

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MINNESOTA_FINDS GOOD_MANAGEMENT_PAYS

The Minnesota Extension Division announced this week that labor earnings of slightly more than \$1,000 were obtained on 81 farms in southeastern Minnesota soil erosion control demonstration areas during the past two years. Earnings for the 16 most profitable farms averaged more than \$2,400. Principally the records cover daily farms. The average production per cow for the entire group was 178 pounds. Returns over feed cost per animal unit for productive livestock other than cows averaged \$32 for the 16 farms in the high group, \$28 for the entire group and \$23 for the low group. The Service said the records show that "efficient farm organization and management pay dividends."

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CHICKEN PRICES UP SHARPLY IN MONTH

Reporting recent developments in the poultry and egg situation, the Bureau of Agricultural Economics said this week that "chicken prices are expected to remain above those of 1936 during the rest of 1937"; that "there is evidence farmers are beginning to save their hens in greater proportions than usual", and that although "the farm price of eggs during the rest of 1937 is not expected to exceed that of 1936, the anticipated relatively light production resulting from a prospective reduction in laying flock size is likely to keep egg prices in early 1938 above those of early 1937." Steady improvement in the feed-egg price situation, from the producer's standpoint, was forecast.

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NEW JERSEY INSPECTION SERVICE IS GROWING

New Jersey agricultural officials report for this season widespread voluntary grading of fruits and vegetables under official inspection. During the asparagus season, 12,850 loads of asparagus for canning and processing were inspected and certified as to grade. Whereas potato inspections covered only 400 cars last year, the requests from growers and shippers indicate that this year more than 5,000 cars will be inspected.

REPORT RELEASED ON NEW YORK POULTRY SURVEY

A printed report was issued this week giving the results of an economic survey of the live poultry industry in New York City, made by the Bureau of Agricultural Economics at the request of, and in cooperation with, the Agricultural Adjustment Administration and the New York Live Poultry Industry Code Authority. It is stated that many of the marketing problems of the industry are due to the declining volume of poultry receipts during the last few years. The survey revealed that the average cost of moving poultry from the place of first sale in the country to the retail store in New York City is about 10.2 cents per pound for dressed poultry and about 12 cents per pound for poultry shipped alive.

The report describes the physical organization of the live-poultry market, and reveals the costs and margins in marketing. It is Miscellaneous Publication 283, entitled "Economic Survey of the Live-Poultry Industry in New York City."

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ILLINOIS "WATCHING" BIG COTTON CROP

The Illinois College of Agriculture announced this week that Illinois farmers are eyeing with concern the prospective large cotton crop of southern farmers, since soybeans compete in industry with both cottonseed oil and meal. Illinois this year has a record crop of more than 2,000,000 acres of soybeans.

It was stated that "prospective supplies of cottonseed cake and meal for the 1937-38 season may total about 2,500,000 tons, a quantity that would be almost one-fourth larger than the production in 1936-37, two-fifths larger than in 1935-36, and more than one-half larger than in 1934-35.

The Illinois economists say that a somewhat smaller demand for both cottonseed and soybean meal is indicated by prospects of a good corn crop and a shortage of livestock; that relatively better prices for soybean oil than for meal are expected.

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WORLD WOOL SUPPLIES SAME AS LAST YEARS

In its September wool situation report the Bureau of Agricultural Economics says that "world supplies of wool in 1937-38are likely to be about the same as in 1936-37, when they were below average. There has been some tendency for mill consumption of wool in several countries to decline in recent months, but the level of mill consumption in foreign countries is still relatively high. Total domestic mill consumption for the first 7 months of this year was 11 percent larger than in the same period of 1936, and the largest for the period since 1923. Mill consumption in the remainder of 1937 is not likely to be so large as in the same months of 1936."

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LOUISIANA truck growers are being urged by their State University to go into the cauliflower business. "We know of no vegetable that is more profitable and has a more ready sale than the cauliflower," the University says.

FARM INCOME UNEVENLY DISTRIBUTED IN JULY

The Bureau of Agricultural Economics announced this week that although farmers' cash receipts from the sale of principal farm products were larger this July than last in five of the six geographic regions of the country, there were marked differences in income in the various regions.

The differences were attributed to increased sales of crops from this year's larger production and to the sharp decline in sales of livestock this July compared with last. Unusually large sales of wheat in July increased income greatly as compared with a year ago in the important Winter Wheat States; a similar situation existed in the early tobacco marketing States.

But income in many of the Corn Belt States was less this July than last on account of sharply lower receipts from meat animals. Income was greatly reduced in the intermediate potato States also on account of the much lower potato prices. Reduced potato prices were mainly responsible for a reduction in income in the South Atlantic States this July compared with last.

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IOWA STUDIES POULTRY BUYING PREFERENCES

In market studies, the Iowa Extension Service has learned that buyers offer the best prices for cockerels which are neither immature nor "staggy". Immature birds do not have the fleshing and development needed to bring top prices; "staggy" ones become too hard of flesh. Another buyer objection to immature birds is the shortness of pin feathers. This makes picking difficult. Poultrymen in the State are being urged to feed birds to the full-fleshed condition as quickly as possible to get the maximum gain per pound of feed.

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BIG INCREASE IN MEAT GRADING SERVICE REPORTED

Livestock and meat specialists of the Bureau of Agricultural Economics say that the increase in the demand for the Bureau's meat grading service is indicated by the substantial annual increases in the amount of beef graded and stamped.

During the first year of the service, ended June 30, 1928, there were approximately 36,600,000 pounds of beef graded and stamped. During the fiscal year ended June 30, 1937, more than 470,000,000 pounds of beef were graded by the Bureau. Since July 1, 1928, the grading has been on a fee basis and has been supported entirely by the fees charged slaughterers, wholesalers, and retailers who have requested that their beef be graded.

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A CURRENT deal report obtainable from the Bureau of Agricultural Economics is "Marketing Texas Citrus, Lower Rio Grande Valley of Texas, 1936-37 Season."

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CUPPENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

September 15, 1937

Vol. 17, No. 37

U. S. Department of growing

PENNSYLVANIA POULTRYMEN COOPERATE IN EGG CAMPAIGN

Secretary J. Hansell French of the Pennsylvania Department of Agriculture announced this week that Pennsylvania poultrymen will cooperate with the National Poultry Producers Federation and the National Association of Food Chains in a national campaign to market the abnormally heavy stocks of storage and frozen eggs and the "overproduction of fresh eggs."

The marketing program will consist of a promotional campaign to relieve the egg markets of the surpluses in storage and a producer-consumer campaign designed to increase the consumption of fresh eggs. It is estimated that the per capita consumption of eggs is less than an egg a day. Committees of prominent poultrymen are to be appointed in States participating in the campaign.

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MISSISSIPPI TROUBLED BY MARKETING OF WET COTTON

Commissioner J. H. Holton of the Mississippi Department of Agriculture issued a warning to growers not to market wet cotton. He said that "wet cotton now finding its way to markets in Mississippi and over much of the Southeast is occasioning serious losses to farmers, ginners, oil mills and cotton buyers...When wet cotton is forced through the gins, the resultant lint is badly gin-cut and sells at a distressing price discount. Wet seed will not keep satisfactorily on account of heating and decomposition, and since oil mills cannot process them as fast as received, and since the yield from such seed is below normal, there is another discount in the already low price of cotton seed. At least one oil mill has closed."

The Commissioner pointed out that "the difference between the selling price of wet cotton and dry cotton naturally varies with the amount of damage, but from \$10 to \$15 per bale loss on lint and cottonseed is by no means unusual." Instructions were issued detailing ways to dry the cotton before it is ginned.

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NEBRASKA ADMINISTERS NEW CREAM GRADING LAW

A. L. Haecker of the Nebraska Dairy Bureau made known recently the regulations governing the handling of milk and cream under the new cream grading law which went into effect in that State on August ATTN MISS TROLINGER

16. The law requires that cream be graded as first, second or unlawful. Unlawful cream must not be bought or sold for human consumption, and it must be colored and tagged to show that it is unfit.

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NEW JERSEY AUCTIONS HAVE PROFITABLE YEAR

The five New Jersey cooperative poultry and egg auction markets sold more than \$3,253,300 worth of live poultry and eggs during the past fiscal year, it was reported this week by Secretary William B. Duryee of the New Jersey Department of Agriculture. The auctions are at Paterson, Flemington, Hightstown, Mount Holly and Vineland.

The poultry and egg auctions were started about seven years ago when farmers sought better prices for their products and safer marketing outlets. The volume of business has increased steadily each year.

Secretary Duryee said that the auctions have served to introduce and promote the use of new grading and packaging methods for New Jersey products, at first on wholesale markets and more recently in retail channels. He cited, also, the New Jersey Fresh Egg Law, as having been "of untold benefit to consumers as well as to all egg marketing interests. Low quality eggs can no longer be sold under deceptive names implying freshness.

Recently the New Jersey Board of Agriculture approved State grades for poultry for slaughter. These grades will be used at the auctions and are expected to expedite trading and extend the market for poultry. When sold under the State standards, New Jersey live poultry will be designated as "New Jersey No. 1" and "New Jersey No. 2" grades.

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CALIFORNIA CLEANS UP INSANITARY SLAUGHTER HOUSES

Operating under a California law which requires the California director of agriculture to refuse a slaughterer's license when the premises used are insanitary, the California Department of Agriculture has completed a two years' survey of all rural meat packing plants with the result that many new buildings have been constructed, many changes made in other buildings, and much modern equipment installed.

The Department recently announced that "the consuming public in the areas served by these rural slaughter houses can now be assured that the meat is at least being held in sanitary surroundings. Through systematic, periodical inspection, it is hoped that the high standard of sanitation now in effect will continue to be maintained."

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NORTH DAKOTA PLANS LIVESTOCK "MARKETING DAYS"

The North Dakota Agricultural College announced this week that plans are being completed for the Second Annual Future Farmer Marketing Days at West Fargo, October 14, 15 and 16. The event is not a show, but a livestock grading and marketing demonstration. Stipulations governing the entry of livestock are that each member shall have carried a satisfactory farming program for at least six months prior to October 14. Each farmer must have owned the livestock he offers for grading and sale, at least four months unless he has a bona fide feeding project. In the latter case he must have owned the livestock for at least 60 days. Project books must be submitted for inspection at the Marketing Days.

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NORTH CAROLINA WANTS BETTER LIVESTOCK FEED

A resolution calling for the elimination of rice hulls as "an injurious ingredient" in livestock feed and appointment of a committee to form an association of North Carolina feed manufacturers featured a recent all-day session of feed manufacturers called together by the North Carolina Department of Agriculture, at Raleigh.

Assistant Commissioner of Agriculture D. S. Coltrane, who presided over the meeting, said that "probably some changes should be made in the present feed law." Many of the manufacturers said they were uninformed of the provisions of the feed-stuff law and used rice hulls without knowledge that their action was a violation.

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MICHIGAN RELEASES DAIRY COST REPORT

The Michigan Experiment Station recently issued a pamphlet giving the results of a study of dairy costs and returns in 1936. It states that the 123 hards on which complete cost records were kept averaged 12.9 cows. Along with the cows and young stock on these farms were 9 ewes, 105 hens and an average of "less than 1 sow". The farms were 156 acres in size, with 33 acres in hay, of which 25 was alfalfa. There was also 18 acres of corn, 26 of small grains, 10 of cash crops, 16 of tillable pasture, 27 non-tillable pasture, and 26 acres in farmstead, roads, idle land and summer fallow. To operate these farms required an average of 2.1 men, or 25 months of labor. Operators did 44 percent of the work, hired men 32, and the family 24 percent.

The feed cost for the 12.9 cows per farm was \$850 for the 12 months ending in March 1937. Feed constituted 43 percent of the total charge, while labor made up 32 percent. Income totaled \$2,249 for this size herd, so there was \$234 net return above all costs.

The booklet is obtainable from the Michigan Experiment Station, East Lansing. Earlier in the year the Station issued similar booklets covering onion costs, sugar beet costs, and tractor costs.

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BUYING POWER FARM INCOME NEAR PRE-DEPRESSION LEVEL

The buying power of the farmers' income this year will be virtually back to the 1929 level, it was reported this week by the Bureau of Agricultural Economics. Although farm income this year is somewhat below

the pre-depression level, it was pointed out that prices which farmers have to pay for their supplies also are somewhat lower than during the years prior to 1930. Consequently, the exchange value of farmers' income this year for other goods and services is about like it was prior to the depression and is nearly equal to the peak year 1929. Income from sales of farm products in 1937 is expected to be about a billion dollars larger than in 1936, and larger than in any other year since 1929.

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POTATO GROWERS VOTING ON MARKETING AGREEMENTS

Commercial potato growers in four late potato producing areas - Arcostook county and 3 townships in Penobscot county, Maine; in Michigan, Wisconsin, Minnesota and 18 counties in North Dakota; in 13 counties in Colorado, 9 in Nebraska, and 4 in Wyoming; and in 34 counties in Idaho - are balloting this week as to whether they want marketing programs this fall by the Agricultural Adjustment Administration, and whether they want the 1938 conservation program to contain special provisions which would tend toward potato acreage stabilization.

Each marketing agreement would be a voluntary contract of handlers with the Secretary of Agriculture. It would provide that no potatoes less than $1\frac{1}{2}$ inches in diameter and grading less than U.S. No. 2 may be shipped in interstate commerce. If growers deem it necessary, other small sizes and low grades would be withheld from interstate commerce. An agreement may go into effect if it is signed by more than half the handlers of potatoes grown in the area and then given final approval by the Secretary of Agriculture.

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ILLINOIS FINDS SOYBEANS A PROFITABLE FARM CROP

Since 1932, soybeans have been one of the most profitable crops in Illinois, with costs of production low enough and yields high enough so that the cost of each unit of the crop has placed it in an advantageous position for commercial and feeding uses, it was announced this week by the Illinois College of Agriculture.

With a good yield of $28\frac{1}{2}$ bushels of beans an acre, it was stated that the modern-day cost is 52 cents a bushel compared with a cost of \$1.16 in 1930. The acre cost then was \$24.39 on an average yield of $20\frac{1}{2}$ bushels. The total acre cost in the more recent figures is \$14.98 on the $28\frac{1}{2}$ bushel yield. This total cost of \$14.98 is made up of \$5.12 for the expense of growing, \$1.89 for harvesting, \$1.18 for taxes and \$6.79 for interest on land valued at \$136 an acre.

Seed is the biggest item in the growing cost, with \$1.89 going for this purpose. Tractor use is next, then man labor, general farm expense, machinery, horse labor, fertilizer, miscellaneous, and truck use. The harvesting cost is made up of 29 cents for man labor, 25 cents for combining, 22 cents for tractor use, 10 cents for horse labor, and 3 cents for truck use.

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CONSUMER BUYING POWER and demand for farm products are expected to be fairly well maintained during the last quarter of 1937, it was announced this week by the Bureau of Agricultural Economics.

STATE AND FEDERAL

MARKETING ACTIVITIES

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September 22, 1937

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NEW YORK GRAPES
MUST BE LABELED

Webster J. Birdsall, Director of the New York State Bureau of Markets, announced this week that amendments to the New York State grape law enacted by the recent Legislature apply to both open and closed packages offered for sale this season. If packed according to grade, the container must be marked upon an irremovable part of the package to show the grade and the name and address of the packer or producer. If the grapes are not packed to grade, then the package must be marked "ungraded" upon an irremovable part of the package. The law applies to all grapes offered for sale, but exempts grapes to be delivered to processing plants. The accepted United States grades are U.S. Fancy Table, U.S. No. 1 Table, U.S. No. 1 Juice, and "Unclassified."

Heretofore, grades were marked only on the cover of closed packages. Copies of the new law are obtainable from the Bureau of Markets, State Department of Agriculture and Markets, Albany, New York.

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LOUISIANA FARMERS

PROTEST MARKET CHEATS

B. B. Jones, Agricultural Secretary, New Orleans Association of Commerce reported this week the receipt of complaints from farmers that unscrupulous dealers (especially in poultry and eggs) are taking advantage of the recent invalidation of the State bonding and licensing law. Farmers were warned to be careful in shipping produce to New Orleans and other cities in Louisiana, to firms which advertise and solicit consignments on the basis of tempting price quotations. These offers, Jones said, are bait to unsuspecting farmers. He urged that shipments be made only to reliable dealers.

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GRADING HELPS SELL EASTERN APPLES ABROAD

Apple shipments to Palestine, England, Brazil, Argentina and Cuba were reported this week by the New Jersey Department of Agriculture. Trends in foreign exchange, use of standard official grades and a high quality crop were said to be factors making possible the business. Grimes Golden, Jonathan and first pickings of Red Delicious comprised most of the export shipments, packed in tub bushels, standard boxes, and barrels. The New Jersey Department said that besides qualifying for the official grade standards, every export lot must pass a regid inspection to insure freedom from any diseases and insects which might be transferred abroad.

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ILLINOIS ELEVATORS TO HANDLE BIG CORN CROP

Farmers' grain elevator companies numbering more than 400 will handle a large proportion of the record crop of corn and soybeans in Illinois this year, according to the Illinois College of Agriculture. In a new circular, by L. J. Norton, Chief in Agricultural Marketing at the College, it is stated that to be successful, farmers' elevator companies must handle at least 300,000 bushels of grain a year, else a sufficient amount of merchandise business must be added to earn ordinary rates of return on the capital investment. Other success factors, named in the circular, include the adoption of grain buying and selling practices that result in adequate margins, and the avoidance of speculative losses on falling markets.

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MICHIGAN LAMB FEEDERS' PROFITS_CITED_IN_SURVEY

Citing the results of a farm management study of the economic aspects of lamb feeding in Michigan, covering the period 1931-1935, the Michigan Agricultural Experiment Station says that the lambs returned the feeders \$1.40 for every \$1 of feed used. Income amounted to \$7.81 per finished lamb, or 80 cents more than the cost. amounted to 31 percent of the cost. Results of the study have been published in Special Bulletin 284, copies of which are obtainable from Michigan Agricultural Experiment Station, East Lansing, Mich.

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MISSISSIPPI SEES NEW DAIRY MARKET OUTLETS

Twenty-seven years ago there was no commercial milk plant in Mississippi; today, there are more than 300, and last year there were manufactured in the State 6,500,000 pounds of butter, 7,780,000 pounds of cheese, and 1,300,000 gallons of ice cream. The figures were cited this week by J. C. Holton, Mississippi Commissioner of Agriculture, by way of indicating how the dairy industry in Mississippi is

expanding.

Commissioner Holton said that more recently the trend has been toward high quality products. The cream improvement law of 1936, for instance, required that all plants have licensed cream graders to carry into effect established legal grades of cream. The Commissioner said that because of substantial premiums paid for superior grades, farmers in the State are producing cream of improved quality, and creameries are producing better butter. Sweet cream is being shipped in carload lots to northern markets, including Hartford, Baltimore, Washington, Philadelphia, and Schenectady.

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PENNSYLVANIA REPORTS BUSY INSPECTION SEASON

The big vegetable cannery crops in Pennsylvania this year have required the services of 40 licensed inspectors and 9 State supervising inspectors at canneries throughout the State, it was recently reported by Secretary J. Hansell French of the Pennsylvania Department of

Agriculture. He said that this year's vegetable crops may be equal to the big 1936 crops and would have exceeded them had it not been for excessive rainfall. He estimated that the Pennsylvania farmers this year have produced \$56,000,000 worth of canned fruits, vegetables and meats. The vegetables and fruit for canning are graded and inspected under the supervision of the Pennsylvania Bureau of Markets. Recent legislation provided additional funds for extension of this work.

MICHIGAN TO USE FEDERAL EGG GRADES

Commissioner John B. Strange of the Michigan Department of Agriculture recently announced the establishment of Federal grades for eggs in that State. He announced also the cancellation of the Department rule which was adopted more than a year ago, providing for the sale of eggs by the pound. Four grades for eggs have been established: Michigan Fancy, and Michigan Grades A, B and C. It was estimated that about 15 percent of Michigan's output of 80,000,000 dozen eggs a year is shipped to Boston, New York, Philadelphia and Chicago.

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FARM INCOME INCREASED LITTLE OVER JULY

A less than seasonal increase in farm income from July to August was reported this week by the Bureau of Agricultural Economics - from \$740,000,000 to \$766,000,000 from farm marketings. Government payments during the period dropped from \$11,000,000 to \$5,000,000.

But the total from marketings and Government payments was \$125,000,000 more this August than last, due to larger receipts from the sale of crops, since income from livestock and livestock products was slightly lower. Principal crops contributing to the increase were wheat, fruits, cotton, cottonseed and tobacco. The total income from marketings of crops and livestock items, plus Government payments, was \$771,000,000 for August, compared with \$751,000,000 for July, and with \$646,000,000 for August last year.

TURKEY PRODUCTION DECREASED 10 PERCENT

A 10 percent decrease in the number of turkeys on hand September as compared with the same date last year was reported this week by the Bureau of Agricultural Economics on the basis of returns from more than 7,000 producers. The indicated decrease, the Bureau said, brings the size of the turkey crop this year down toward the level of the 1932 and 1933 crops, prior to the small crop of 1935 and the unusually large turkey crop last year. Producers also reported that they intend to market their birds earlier and at slightly heavier weights than last year. Decreases in production have been heaviest this year in the important commercial producing areas of the West North Central and Rocky Mountain regions, where most States indicate reductions of from 10 to 30 percent below last year.

MUSHROOM INDUSTRY EXPANSION REPORTED

Expansion of the mushroom industry in response to consumer demand stimulated by the manufacture of mushroom soups and canned mushrooms is indicated by trade estimates that the production of mushrooms is now about 30,000,000 pounds a year. Much of the fresh crop, grown in cellers and caves in many States, is marketed in the fall, but recent improvements in production methods are said to be making mushrooms marketable the year around.

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IOWA CAUTIONS GROWERS AGAINST UNCERTIFIED SEED

Iowa farmers were told this week by the Iowa Agricultural Experiment Association they are taking unnecessary chances for crop success when they buy hybrid corn seed other than that which has been certified by the Association. It was reported that 200 growers in the State produced 7,000 acres of hybrid seed which has already met the field inspection requirements for certification. The names of these growers who have certified hybrid corn for sale have been published in a booklet. "Know Your Hybrid Corn," obtainable from the Association, at Ames, Iowa.

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BIGGER APPLE EXPCRT MOVEMENT IS PROSPECT

The Bureau of Agricultural Economics announced this week that prospects appear favorable for a much greater export movement of apples from the United States to European markets this season than last year. Factors pointing to an increase are the much larger crop in the United States this year, reduced apple crops in the principal European importing countries, short supplies of soft fruit in most European countries, continued improvement in European purchasing power, and recent reductions in several countries of the barriers against imports of apples.

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BUREAU TELLS HOW TO PREPARE FIRE-CURED TOBACCO

Producers of fire-cured tobacco will find useful a mimeographed statement issued this week by the Bureau of Agricultural Economics on the "Preparation of Fire-Cured Tobacco for Market." It discusses such subjects as the equipment for stripping tobacco, ordering and bulking, stripping and sorting, handling, loading and unloading stripped tobacco.

It is stated that the production of high quality fire-cured tobacco is partly a matter of the skill and care used in growing and curing, but that an important part is the care used in preparing the tobacco for market.

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THE COMING FEEDING PERIOD will probably be the most favorable one for dairy producers since the beginning of the depression, the Bureau of Agricultural Economics said this week.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

☆ GUT 1 6 1937 ☆

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MANY STATES TO
GRADE TURKEYS

Seventeen States will market turkeys under Federal grade this year. Grading schools will be held during October and November in 12 or more States — in Utah, Colorado, Wyoming, Montana, North Dakota, Minnesota, Nebraska, Kansas, Oklahoma, Texas, Ohio, New York and probably California. Attendants will be taught free by representatives of the Bureau of Agricultural Economics the technique of grading birds according to Federal standards.

Bureau poultry marketing officials estimate that about 30,000,000 pounds of turkeys were graded last year, or about 25 percent of the birds going to the big central markets. The use of the Federal turkey grading system has greatly increased in recent years. In each State the local agricultural extension and marketing officials cooperate in the turkey grading work.

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ILLINOIS LISTS CATTLE FEEDING FACTORS

As the cattle feeding season nears, the feeders in Illinois are being told by the Illinois Extension Service there are five essential factors in determining profits from cattle feeding operations. These factors are the probable demand situation at the time the cattle are ready for market, the feed situation for 1937-38, the probable reaction of other farmers to the present feed situation, the normal seasonal movements of the prices of different grades of cattle, and prospective competition from other classes of meats. The shortage of hogs, it is stated, will be a material factor in maintaining the price of common steers next spring.

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CALIFORNIA DEVELOPS NEW PEACH BY-PRODUCT

Commercial possibilities for a new crushed fruit product manufactured experimentally from small clingstone peaches in its fruit products laboratories are seen by the University of California. The fresh fruit has been unmarketable heretofore because of its small size. The research was begun seven years ago and the processing technique gradually improved. This fall an experimental pack was turned over to a commercial cannery in Sutter County, and the University is trying to

interest distributors in the product. The crush is intended for use as a breakfast dish or with whips, home-make ice cream, gelatin, and other desserts and salads. It is said to make an acceptable pie.

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NEW ORLEANS GETTING MILK FRCM HOME-STATE DAIRIES

Formerly a large part of the supply of pasteurized milk distributed in New Orleans came from sections several hundred miles from the city; now, reports B. B. Jones of the New Orleans Association of Commerce, the great bulk of the milk comes from within the State of Louisiana, with the smaller part coming from counties in Mississippi adjacent to the Louisiana line. The steady increase in milk production has meant, he says, the increasing use of some of the milk for manufacture into dairy products. About 80 percent of the supply available for the New Orleans market is now used as fluid milk; the remainder is manufactured into butter, cheese and condensed milk.

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MISSISSIPPI URGES USE OF COTTONSEED MEAL AS FEED

Wider usage of the low-priced cottonseed meal resulting from Mississippi's 2,000,000 bale cotton crop will do much to compensate farmers for the correspondingly low price of cottonseed, according to Commissioner J. C. Holton of the Mississippi Department of Agriculture.

The Commissioner says that from 2,000,000 bales of cotton this year there will be derived about 888,000 tons of cottonseed which in turn will yield about 365,000 tons of cottonseed meal. Cottonseed meal, he points out, is selling around a penny a pound — too little, relative to the price of corn, considering that "experiment stations have shown that in true feeding value cottonseed meal is twice as valuable as corn, pound for pound."

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FEWER HOGS THIS FALL; MORE PIGS NEXT SPRING

Fewer hogs going to market this fall than last, but a considerable increase in the 1938 spring pig crop were reported in prospect, this week, by the Bureau of Agricultural Economics. And in view of the somewhat smaller tonnage of hogs to be marketed this fall and winter and with fairly high levels of consumer demand for meats, the Bureau expects hog prices to average at least as high as a year ago when the average price at Chicago was about \$9.90 a hundred pounds. A "very favorable" corn—hog price ratio was reported in view of the larger supply and lower prices of corn this fall.

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The North Dakota Extension Service is planning for this fall a series of county sheep and wool meetings at which wool grading will be demonstrated, and the care and management of sheep, wool marketing, and the outlook for wool and sheep will be discussed.

MANY FARMERS PAY OFF GOVERNMENT MORTGAGES

The Farm Credit Administration reported this week that it wrote "paid in full" on 25,113 farmers' mortgages during the 12 months ended September 1, or an increase of more than 60 percent over the preceding 12 months. The amount of such payments in the 12 months to September 1 was \$44,715,669, of which \$26,402,611 represented first mortgage loans paid in full by 11,925 Federal land bank borrowers and \$18,313,158 by 13,188 farmers having Land Bank Commissioner loans.

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FIVE-POINT DROP

IN FARM PRICE INDEX

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A 5-point drop in the farm price index from August 15 to September 15 was reported this week by the Bureau of Egricultural Economics. The September 15 figure was 118, compared with 123 on August 15, and with 124 on September 15 Tast year. The preceding Tow Wint was 145 in Wily 1936.

The September 15 indexes of prices of meat animals and of fruit were above the figures for the corresponding date last year, the indexes of prices of chickens and eggs were about the same as a year ago, but the indexes of all other groups of products were much lower.

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RHODE ISLAND FINDS SEED OF GOOD QUALITY

The agricultural seed sold in Rhode Island this year was, as a whole, of good quality, comparing well with that sold during most of the years since the Seed Law first went into effect in 1929, it was reported this week by the Rhode Island Department of Agriculture and Conservation. The Department, nevertheless, cautioned farmers before buying seed, to examine the standing of seed distributors as determined by the tests of samples offered.

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PENNSYLVANIA ISSUES

POTATO MARKETING RULES

Additional instructions relative to the marketing of closed packages of potatoes with the grade of the contents were issued this week by Secretary J. Hansell French of the Pennsylvania Department of Agriculture.

The Secretary said that potatoes packed on the farm in closed containers for shipment direct to potato chip manufacturers or other processors are not exempt from the compulsory marketing act. Many farmers, he explained, were under the misapprehension that the law applied only to retail shipments.

THE WE KIN BRIDE

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The New Jersey Extension Service announced this week that "mounting food prices and the problems they create for housewives will be considered in a Consumers' Institute scheduled to be held at New Brunswick, October 21."

THE WEEK IN BRIEF

COMMERCIAL APPLE GROWERS in Iowa will probably profit by marketing their product early, because of the "bumper" apple crop in other parts of the country, according to the Iowa Extension Service. Shipments from other States, it was said, will more than make up for Iowa's light crop of 1,131,000 bushels.

SOMEWHAT HIGHER PRICES of eggs next year as compared with this were forseen by the Bureau of Agricultural Economics in its current review of the poultry and egg situation. This conclusion is drawn from the smaller number of layers which will be in farm flocks next year and the expectation that the rate of egg production will be somewhat lower.

ONE DAIRY COW with a production of 400 pounds of butterfat a year will normally return as much above feed cost as 3 average cows, said the Illinois College of Agriculture. In one improvement association a herd of 11 good cows produced 39,591 pounds less total milk, yet returned \$84 more above the cost of feed than 24 low producing cows in another herd.

SHERMAN E. JOHNSON of Minnesota was appointed in charge of the farm management division of the Bureau of Agricultural Economics by A. G. Black, chief of the Bureau. Johnson has been engaged in research work for the Bureau since April 1936. He succeeds Dr. C. L. Holmes who had relinquished leadership of the division because of ill health.

ONE OF THE LARGEST APPLE CROPS in the past 10 years and a aboveaverage grape crop indicated by the Bureau of Agricultural Economics in its monthly review of the fruit situation. But the domestic demand for these fruits is expected to be better than in recent years; an improvement also is expected in foreign demand, especially for apples.

LOUISIANA'S increase in yields of sugarcane within the last few years - from 13 to 21 tons per acre average - has been almost entirely due to new varieties, reported the Louisiana Experiment Station. Further increases are expected from improved soil and better cultural practices.

PRICES OF WELL FINISHED CATTLE probably will be maintained at a relatively high level during the remainder of 1937, the Bureau of Agricultural Economics said in its monthly review of the beef cattle situation. Not until increased supplies of grain-fed cattle become available next winter and spring is there much probability of materially lower prices for such cattle, it was stated.

A MACARONI MACHINE - the "last word" in miniature machines for making macaroni from semolina - has been acquired for experimental use by the North Dakota Experiment Station. Only 4 such machines are said to be in existence - 1 in Italy. 1 in Canada, 1 at Washington, D. C., and the fourth at the North Dakota Experiment Station.

SEVEN YEARS AGO, the production of tomato juice was negligible; but in 1936 the production totalled 9,000,000 cases of 2 dozen, number 2 cans, said Dr. F. A. Harper of Cornell University, commenting on the expansion of the juice industry in recent years.

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NORTH CAROLINA SEEKS
STANDARDIZATION PROGRAMS

U. S. Department of the

Surveys are being made by the North Carolina Department of Agriculture, looking toward the development of programs of better marketing practice in connection with tobacco and livestock. The Department has in mind, essentially, the grading and preparation of products for market.

Randall B. Etheridge, Chief of the North Carolina Division of Markets, recently reported "growers and shippers of peaches who had their fruit certified as to grade this year made money by taking advantage of the marketing service of the Department, whereas other growers lost money through failure to follow Government grading practices."

Etheridge said that the Division of Markets is annually supplying about 175 graders on North Caro!ina potato, peach, strawberry, watermelon, and other fruit and vegetable markets; that increasingly the growers are recognizing that standardization and careful grading "bring rich rewards" on the State and interstate markets.

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NEW YORK DAIRYMEN URGED TO SELL LOW PRODUCERS

New York dairymen were urged this week by Commissioner Holton V. Noyes, of the New York Department of Agriculture to sell their low-producing cows to "take advantage of the favorable beef prices." Commissioner Noyes said that "dairymen would achieve five objectives (by this action): improve their herds, lower production costs, lower the supply of milk and improve the market for the remainder make it easier for people in modest circumstances to continue meat in their diet, and better themselves financially by selling unproductive cows in the present attractive market for beef."

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CALIFORNIA REGULATES MARKETING OF WALNUTS

California Director of Agriculture A. A. Brock recently put into effect a marketing order regulating the handling of merchantable walnuts produced and sold within the State. He also issued a special order fixing the salable and surplus percentages for the 1937 crop of California walnuts marketed in intrastate commerce. For the marketing season September 1, 1937, to August 31, 1938, the Director fixed the salable percentage at 65 percent of the merchantable crop, and the surplus percentage at 35.

ILLINOIS SAYS COMBINES REDUCE WHEAT COSTS

Cost of producing wheat on central Illinois farms has been reduced from \$1.08 a bushel to 66 cents a bushel during the past 10 to 15 years, according to R. H. Wilcox of the Illinois College of Agriculture.

"The principal reason for this reduction was the use of improved machinery, especially combines," Wilcox said. The cost figures include rent on the land, taxes, labor and horse or tractor power.

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NEW JERSEY INSPECTS POULTRY BREEDING FLOCKS

New Jersey Department of Agriculture inspectors this week began work in connection with the selection and testing of poultry breeding flocks to be entered in the State poultry improvement program. About 75,000 breeding birds were certified in the State last year.

A major change in the program is the classification of flocks to be tested for pullorum disease only and without requiring application for any of the breeding stages. Flocks qualifying in this classification will be called New Jersey U. S. Pullorum Tested, Passed or Clean. In former years these flocks were offered as Cross-bred flocks.

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CALIFORNIA BEEF PAISERS FORM IMPROVEMENT BODY

The California Extension Service recently announced the formation of the California Beef Cattle Improvement Association, to foster closer contact between breeders of purebred cattle and range or commercial cattle. The improvement association has pledged itself to promote the production of better beef cattle in California through further improvement of purebred animals, systematic practices of selective breeding, and close cooperation with the College of Agriculture and the Pacific Livestock Breeders and Exhibitors Society and all other agencies looking toward an improved livestock.

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NEW YORK CATALOGUES MANY NEW FRUIT VARIETIES

A catalog listing 117 new varieties of fruit, most of which have originated on the grounds of the Experiment Station at Geneva (New York) has just been published by the New York State Fruit Testing Association with headquarters at Geneva. The Fruit Testing Association, now in its 20th year, cooperates with the Experiment Station in propagating and distributing stocks to interested fruit growers. A nominal membership fee entitles the grower to first choice of new stock grown by the Association. The membership list totals more than 2,500 names, with representatives in 47 States and in many foreign countries. The catalog includes a list of new varieties which the specialists believe are worthy of planting on a commercial scale.

ST LOUIS MARKET UNDER FEDERAL SUPERVISION

St. Louis, Mo., has been designated by Secretary Wallace as a live-poultry market subject to Federal supervision under the provisions of title V of the Packers and stockyards Act. The order is effective on and after November 19, when all persons or firms in St. Louis engaged in the marketing of live poultry in interstate commerce will be required to hold a license signed by the Secretary. In this respect, the market will be placed on the same basis as 7 other markets which have been so designated.

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PENNSYLVANIA DAIRY FARM LABOR CONDITIONS SURVEYED

A joint report of the Farm Security Administration and the Bureau of Agricultural Economics has been issued, showing that the earnings of farm laborers in Wayne County, Pennsylvania, averaged the highest of any county studied in the East or South. The report is 1 of 11 studies of farm labor conditions in various type-of-farming areas in different parts of the country.

The Wayne County hired laborers were found to be chiefly young men. Three-fourths were less than 40 years of age, and most of them were under 30. As a group they had relatively good schooling. Their annual incomes ranging from "mere maintenance" to \$1,200 a year; but nearly three-fourths received less than \$400.

Copies of the report are obtainable from the Bureau of Agricultural Economics.

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NORTH DAKOTA BEEKEEPER HAS \$20,000 BUSINESS

A North Dakota big business beekeeper who expects to gross \$20,000 this year, "despite a poor honey producing season," was publicized this week by the North Dakota Extension Service. This beekeeper has 2,300 colonies. His production is expected to total 300,000 pounds of honey — enough to fill $7\frac{1}{2}$ railroad cars. Practically all of the output is packaged in 60 pound cans for shipment to eastern dealers who re-package it in smaller containers for the retail trade. The Service says that one of this beekeeper's management methods "is to take enough bees south every fall to restock his colonies in the north the following spring." The bees are transported by truck or trailer in special wire screen cages.

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MANY FOOD MARKETING INOVATIONS REPORTED

New ways to process, package and market foods are being reported with unusual regularity by the food trade journals. Some recent developments include the packaging of Maine potatoes, the manufacture of a breakfast food made almost entirely of oranges, the canning of "crow meat", the patenting of slot machines which dispense hot frankfurters, the manufacture of "prune beer", a breakfast food made from apples, and the use of a machine which "shaves the fuzz off peaches."

THE_WEEK IN BRIEF

WORLD SUGAR SUPPLIES and consumption appear to have reached a record high in the 1936-37 marketing season and the outlook is for still larger supplies in the year now beginning, according to the Bureau of Agricultural Economics in an annual report on the world sugar situation.

THE FEDERAL SURPLUS COMMODITIES CORPORATION announced it will buy surplus dry green peas and dry edible beans in commercial producing areas "in an effort to increase returns to growers."

NEW YORK DEPARTMENT OF AGRICULTURE announced that "a bumper grape crop is reaching the markets from New York State vineyards." The grapes are being marketed under a new State law which requires that containers must be marked either with the grade, name and address of the producer or packer, and the net contents, or labeled "ungraded."

BREEDERS ARE PUTTING MORE "POP" IN POPCORN, said the United States Department of Agriculture. First quality corn must "pop" to 20 times the volume of the "unpopped". A 35-fold multiplication was said to be about the "top limit for single ears in Federal and State efforts to improve popcorn."

THE ADOPTION OF MINIMUM MARGIN REQUIREMENTS by the New York Cotton Exchange has been announced by Secretary Wallace. Similar action is expected also by the New Orleans Cotton Exchange. The new rule is applicable to all except "hedging" and "straddle" trades.

THE FARM SECURITY ADMINISTRATION announced that the debts of 62,099 farmers were reduced \$51,423,010 or 25.2 percent in the two-year period ending August, "as a direct result of activities under the voluntary farm-debt adjustment program." The debts of these farmers before adjustment amounted to \$203,876,204; after adjustment \$152,453,194.

THE MARKET SITUATION for most types and classes of tobacco is expected to remain fairly satisfactory to growers even though prices during the 1937-38 season are expected to average slightly lower than those for the 1936 crop, said the Bureau of Agricultural Economics in a review of the tobacco situation.

THE GROWING SEASON OF 1937, which began with plentiful rains, is ending with a serious lack of moisture in many parts of the United States, particularly the Midwest, reported the United States Weather Bureau. September was reported too dry for the preparation of the soil and the seedling of winter wheat in most midwestern States and for corn nearing maturity in the Great Plains and a few adjoining areas.

NEW MIMEOGRAPHED REPORTS obtainable from the Bureau of Agricultural Economics include "Marketing Arkansas Peaches, 1937 Season"; "Marketing Colorado Melons, 1937 Season"; "Prices of Cotton Cloth and Raw Cotton, and Mill Margins, for Certain Constructions of Unfinished Cloth"; "Marketing Northwestern Onions, 1936 Season"; "Marketing Texas Cabbage, 1936-37 Season."

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CUPRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

October 13, 1937

Vol. 17, No. 41

MISSOURI RE-ESTABLISHES SHIPPING POINT INSPECTION

The Missouri Department of Agriculture and the Bureau of Agricultural Economics have re-established the cooperative Federal-State shipping point inspection service covering all fruits and vegetables, it was annonounced this week by the Missouri Department.

Prior to July 1, the State and Federal agencies had made an agreement on the inspection of Irish potatoes during the commercial shipping season. Now all other fruits and vegetables are covered. The State Supervisor is Henry H. Baker, graduate of the Missouri College of Agriculture.

Commissioner Jewell Mayes of the Missouri Department announced "it is the present policy of the Department, to actively foster grades and standards and shipping point inspection, for the more orderly and more profitable marketing of Missouri-grown fruits and vegetables."

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PENNSYLVANIA TO "PROMOTE" KEYSTONE STATE POTATOES

The appointment of L. T. Denniston, a potato disease specialist at Pennsylvania State College, to direct promotional work under Pennsylvania's potato marketing program, was reported this week by Secretary J. Hansell French of the Pennsylvania Department of Agriculture.

Denniston will serve under "Potato Interests," an agency set up by the State Department of Agriculture and the organized potato growers to administer the \$25,000 appropriation made by the 1937 legislature for the development and marketing of Keystone State potatoes.

Dr. E. L. Nixon of the State College Experiment Station is in charge of the work of developing better varieties of potatoes. The Pennsylvania Bureau of Markets will enforce the marketing laws, and Denniston will be in charge of promotion.

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NORTH DAKOTA AIDS IN "EAT-MORE-LAMB" CAMPAIGN

The North Dakota Agricultural College is taking an active part in the national drive to increase lamb consumption, the College announced this week. The effort was said to be "a cooperative program in which lamb interests, headed by the National Wool Growers Association, have ATTN WISS TROLINGER

joined with marketing agencies, processors and distributors to move lamb more rapidly into consuming channels. The fact that the fall lamb marketings will be large and that greater stability of lamb prices is essential, prompted this effort."

It was stated that lamb consumption is on the increase; that during the last 5 years the per capita use of lamb has increased 12 percent over the previous 5-year period. Introduction of many new cuts in recent years and a growing recognition of the high food value of lamb were said to have contributed to the gains.

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SIDNEY EDWARDS TO DIRECT WORLD POULTRY CONGRESS

Sidney A. Edwards was named this week as managing-director of the Seventh World's Poultry Congress and Exposition, to be held at Cleveland, July 28 to August 6, 1939, it was announced by W. D. Termohlen, secretary-general of the Congress. Edwards, who at present is Director of the Connecticut Bureau of Markets, will take over his duties on December 1.

Termohlen reported that 33 States have formed committees which make up the State congress committee's council. All but five of the other States were reported in process of organizing committees.

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ILLINOIS_STUDIES CHEESE_FACTORY_NEEDS

Four factors were listed in an announcement this week by the Illinois College of Agriculture, as essentials to consider in establishing a cheese factory. It was stated that in establishing a factory in a new location consideration should be given to the volume of milk that can be expected from the community. For a one-man factory, an adequate supply of milk was stated to be about 5,000 pounds or the output of 200 to 250 cows.

The factory should be established where the competing price for milk is such that a profit can be made, the College said, adding that "cheese factories should not be expected to compete with market milk plants, ice cream plants and condenseries on price, since milk which goes into cheese does not return as much as milk that goes into market milk, ice cream and condensed milk."

The third factor was that "advantage should be taken of natural temperature conditions", and the fourth emphasized "the importance of obtaining a market outlet that will take all the cheese produced at a price allowing for a profit."

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COMMODITIES CORPORATION TO BUY COTTONSEED OIL

The Agricultural Adjustment Administration announced this week that the Federal Surplus Commodities Corporation will buy cottonseed oil "in a program designed to strengthen cottonseed prices to cotton farmers by diverting cottonseed oil from normal commercial channels."

Both crude and refined oil will be purchased under the program

and manufactured into shortening for distribution by State relief agencies to persons on relief.

Cotton farmers were reported as receiving less for their cotton-seed this year than in any year since 1915, with the exception of the depression years 1931 to 1933. The estimated cotton crop of 17,573,000 bales this year is expected to yield approximately 7,816,000 tons of cottonseed and approximately 1,886,000,000 pounds of cottonseed oil. Average production of cottonseed oil during the 10-year period 1927-36 was 1,468,000,000 pounds.

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MINNESOTA ASSOCIATION ISSUES SEED LIST

The Minnesota Crop Improvement Association this week issued a list of all seed growers whose fields have passed inspection. Crops listed include such forages as alfalfa, reed canary grass, soybeans, peas, brome grass and alsike clover, barley, rye, flax, oats and wheat, and both hybrid and open-pollinated varieties of corn.

The Association explained that field inspection, in the case of small grains, means that the fields were inspected at heading time for presence of noxious weeds and other varieties of grain. If these fields passed the parity test at heading time, they were put on the Association list. Fields of hybrid corn were subjected to three tests during which the detasseling and isolation of fields were checked.

Copies of the seed directory now available are obtainable from the Minnesota Crop Improvement Association, University Farm, St. Paul. The list is supplementary to the annual seed directory which will be issued by the Association shortly after January 1 next.

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NEW YORK TO HAVE TURKEY GRADING SCHOOL

The New York Department of Agriculture announced this week plans for a turkey grading school to be held at Calcium, New York, November 8 and 9. T. W. Heitz of the Bureau of Agricultural Economics will be in charge of the instruction. Webster J. Birdsall, Director of the New York Bureau of Markets said that the project is part of a program to assist growers and shippers, and to facilitate the marketing of high quality New York State turkeys. An open invitation has been extended to growers, shippers and other interested persons to attend.

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"BETTER DRUMSTICKS" SAID TO BE POULTRY BREEDERS AIM

Bigger and better drumsticks and superior fried chicken a la Maryland by way of the commercial hatchery were reported by the Maryland Extension Service this week, as keynotes of the first Poultry Breeding and Improvement School, held recently at the University of Maryland. More than 100 poultrymen and hatchery operatoes attended.

The hatchery operator was described, at the school, as occupying an important place in improving the quality of poultry products, as

"each succeeding year finds more and more poultrymen buying chicks from this source." It was emphasized that in order to obtain the best results in improving the quality of hatching eggs greater cooperation is needed between flock owner and hatcheryman.

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THE LOUISIANA EXTENSION SERVICE recently reported that strawberry growers in that State are planning a crop next year of about the same acreage as that of last year - about 17,600 acres.

A SHARP INCREASE in production of domestic edible vegetable oils was reported this week by the Bureau of Agricultural Economics. Expected increases this year over last include a 33 percent gain in the supply of cottonseed oil, a rise of 15 to 20 percent in production of soybean oil, and smaller gains in production of peanut, corn and other minor vegetable oils.

THE NEW ORLEANS COTTON EXCHANGE has adopted, at the request of the United States Department of Agriculture, minimum margin requirements identical with those adopted on October 7 by the New York Cotton Exchange. The new rule will go into effect on January 1 next.

THE ILLINOIS EXTENSION SERVICE reported this week that 84 Illinois farm families "pointing the way to trends in consumer buying through home accounts kept over a continuous period of 4 years, showed that with rising incomes first consideration goes for more and better food, shelter, transportation and clothing."

LOUISIANA FARMERS are "to be given an opportunity to express their view regarding national agricultural legislation at a hearing in New Orleans on October 22 to be conducted by a sub-committee of the United States Senate Agricultural Committee," it was announced this week by the Agricultural Committee of the New Orleans Association of Commerce. Farm legislation which will be considered at the special session of Congress will form the basis of discussion, it was stated.

MISSOURI had 410 farmers' local cooperative marketing and purchasing associations, wih estimated sales of more than \$31,000,000, according to a survey (1935 basis) made by Herman M. Haag and Edward G. Schiffman of the University of Missouri.

MISSOURI is to have a new seed law, effective January 1, 1938, it was announced this week by the Missouri Department of Agriculture. The new law seeks to protect farmers from being imposed upon by "bootleg" farm and garden seeds. The new Act requires that the contents of the bag be shown on the label, that all "seedsmen" register, and that each seedsman's license number be shown on the label on each bag of seed.

"THE BIG APPLE" - not the dance, but the real thing - is being publicized by the New York Department of Agriculture. The Department says that the crop of Eastern apples now arriving at many markets is "fully as big in quality as it is in quantity." The Department is distributing recipe books to tell housewives new ways to serve apples.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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EDWARDS, CONNECTICUT

MARKETS DIRECTOR, RESIGNS

Sidney A. Edwards, Director of Markets of the Connecticut Department of Agriculture since 1228, has resigned that post, effective December 1, to become Managing Director of the Seventh World's Poultry Congress Exposition, to be held at Cleveland, July 28 to August 7, 1939.

Commissioner King of the Connecticut Department of Agriculture announced that "being Secretary-Treasurer of the National Association of Marketing Officials and Secretary of the Northeastern Poultry Producers Council, Edward's promotion will mean at least a temporary loss to marketing activities and poultry work outside the State as well as in Connecticut."

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NEW JERSEY AGRICULTURAL SECRETARY RESIGNS POST

The resignation of William B. Duryee as Secretary of the New Jersey Department of Agriculture, effective as of January 1, was announced this week by the New Jersey State Board of Agriculture. Duryee plans to enter commercial work. He had been associated with the New Jersey Department for the last 12 years.

President Herman C. Demme of the State Board, announcing the resignation, said that the administration of the Department of Agriculture during Duryee's term had been marked by a long series of measures of constructive and practical value to the agricultural interests of the State. Included in this list are the establishment of auction markets for fruits, vegetables, eggs and poultry. There are 13 of these markets, doing an annual business of more than \$5,000,000.

Other activities included the establishment of State grades for nearly all farm products, and the development of a complete system of collecting and disseminating reports on market conditions and prices. The market news service was featured last season by the adoption of teletype to serve the markets of the State and individual farmers.

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COURT SANCTIONS REDUCED DENVER STOCKYARDS RATES

The reduction of rates for stockyards services at the Denver Union Stockyards, ordered by the United States Department of Agriculture last March, and which was contested by the stockyard interests, has been upheld by the United States Statutory Court of three judges. The

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Department announced this week that the new rates mean an annual saving to livestock shippers of about \$50,000 according to estimates, compared with the old rates. Before the new rates became effective last March, however, the stockyard officials obtained an injunction enjoining enforcement of the order pending a final hearing.

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NEW MEXICO COMPLETES GRADING DEMONSTRATIONS

The twelfth annual series of livestock grading demonstrations was recently completed in New Mexico, according to an announcement by the New Mexico Extension Service. J. K. Wallace of the Bureau of Agricultural Economics, who has assisted with these demonstrations for the last 14 years, attended all meetings and in addition to grading of livestock, discussed the marketing outlook for 1937-38.

There was a slight change this year in the method of conducting the demonstrations, effort being made to use calves that will be marketed this fall, giving them market grades. Representatives of the Agricultural Adjustment Administration discussed the Range Program for the coming year.

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NEW YORK DEPARTMENT ISSUES SHIPPING GUIDE

A "Shipping Guide" which lists nearly 500 licensed and bonded commission merchants who have posted bonds or surety to insure prompt and full payment to New York State shippers for the license year ending June 30, 1938 is obtainable from the New York Department of Agriculture and Markets.

The circular, just issued, warns shippers that the protection intended by the law applies only to sales made on commission. Outright sales to a commission merchant or sales to a merchant who advertises a "net return" are made at the shipper's risk, for such sales are not within the scope of the New York law. Farm products, as defined by the law "shall include all agricultural, horticultural, floricultural, vegetable and fruit products of the soil, livestock and meats, poultry, eggs, dairy products, nuts, honey, wool and hides; but shall not include grains or timber products."

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NEW JERSEY WOMEN WANT FOOD GRADES

Standardization of grades and their enforcement by law was urged by Mrs. Michael Scilipoti, chairman of the department of government and economic welfare of the New Jersey League of Women Voters, in addressing the Consumers Food Institute held this week at New Brunswick by the New Jersey Extension Service.

"We want to know that we are getting food that is sound, pure and good value for the money," she said. "While most housewives with a few years of experience behind them have some ability to judge quality and try to acquire more, they cannot see inside packaged goods."

MECHANICAL PICKERS ARE HARVESTING IOWA CORN

"Far more corn in Iowa this year will be picked with mechanical pickers than ever before," it was announced this week by J. B. Davidson of the Agricultural Engineering Department of Iowa State College. Davidson said that about 2,500 mechanical pickers have been bought by Iowa farmers this fall. Largest sales have been in northwestern Iowa. Most of the pickers are of the two-row, pull type, and many have been bought for job picking as well as for harvesting the owner's corn. Davidson said that "ideal conditions for the use of mechanical pickers have spurred the purchase of these implements this year."

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NEW ENGLAND RADIO NEWS SERVICE EXPANDED

The Rhode Island Department of Agriculture announced this week that radio station WEAN recently became the sixth member of the Colonial Network to offer the farm programs of the New England Radio News Service. The primary purpose of these programs is to disseminate news and information regarding the production and marketing of farm products. Stations in the network are WAAB of Boston, WLNH of Laconia, WNBX of Springfield (Vermont), WSPR of Springfield (Mass.), WEAN of Providence, and WICC of Bridgeport.

The New England Radio News Service, organized in 1928, is a cooperative project supported by the Bureau of Agricultural Economics, the New England Departments of Agriculture, WBZ and WBZA of the National Broadcasting Company, the 6 stations of the Colonial Network, and other organizations. Many agricultural organizations, individual farmers, and others cooperate.

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OHIO FARMER-OWNED ELEVATORS MAKE PROFIT

Ohio farmer-owned elevators during the business year 1936-37 continued to gain in volume of business, net profits, and net work, it was announced this week by B. A. Wallace, specialist in farm marketing, Ohio State University. The average net gain made by 150 companies in 1936-37 was \$9,013 per company. Only 5 failed to make a net gain during the year. Even in the depths of the depression, Wallace said, the farmer-owned elevators as a group showed a net gain each year.

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MISSISSIPPI REDUCES GRADES FOR FERTILIZERS

The Mississippi Department of Agriculture announced this week that "another forward step in Mississippi fertilizer history was recorded in Jackson (Miss.) recently when representatives of the fertilizer industry, experiment stations, the Mississippi Department of Agriculture, and others interested, agreed upon limiting the number of grades of fertilizer to only 8, the smallest number in any State for the coming year."

A decade ago, more than 1,000 grades of fertilizer were recorded in the United States, and more than 100 in Mississippi. In 1928, Mississippi reduced the number of grades to 27. The eight grades now in use are: 6-12-6; 6-8-4; 4-8-4; 10-0-10; 6-8-8; 4-8-8; 3--8-5; 0-12-6.

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NEW YORK REPORTS FARM LABOR SHORTAGE

New York farmers faced the 1937 harvest season with the most acute labor shortage since quarterly figures first became available in 1924, it was reported this week by F. A. Harper of the department of agricultural economics at Cornell University. The supply of farm labor was only 70 percent of normal and the demand slightly higher than at any other time during the period.

Harper said that "some outstanding problem of farmers the next few years will result from the farm labor situation, which already is serious but may become more so." He pointed out that "for most enterprises in New York, labor ranges from 20 to 50 percent of total costs. Hired labor is the second largest operating cost on the average of farms in the State, second only to purchased feed." He said that during the harvest season this year "good help was difficult to find at almost any reasonable wage."

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ILLINOIS STUDIES LIVESTOCK MARKETS

Illinois stockmen were advised this week by the Illinois Extension Service that "despite the fact that cattle generally are selling at good prices, it will still pay to put cattle on the best market even if it is not the nearest." The nearest market is usually the most convenient, but it is seldom the best one for all the producer's livestock, it was stated.

Two marketing difficulties which were said to confront the average producer, are the "economical movement of small lots of livestock to other than the nearby market and information as to what is the best market for his particular animals." The situation is discussed in a new circular "Some Alternatives in Livestock Marketing." Copies are obtainable from the Illinois Farmers' Institute, Springfield, Illinois.

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NEW POTATO MARKETING AGREEMENTS, in effect October 19 in Idaho, Colorado, Wyoming, Nebraska, North Dakota, Minnesota, Wisconsin, and Michigan, require the inspection of all potatoes shipped in interstate commerce from these States. An inspection organization has been set up to do this work.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A review of cuprent service, research and related projects issued weekly by the rureau of agricultural ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

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STATE MARKETING OFFICIALS

☆ NOV 6 1937 ☆

TO HOLD CONVENTION AT NEW YORK T. S. Department of Agriculture

The Nineteenth Annual Convention of the National Association of Marketing Officials will be held in New York City, December 16 to 18. Secretary Sidney A. Edwards of the Association announced this week that a "strong local committee representing various food trade organizations and marketing agencies is cooperating closely with Association officers to make the convention a success." The convention overlaps the annual convention of the Vegetable Growers of America to be held in New York, December 13 to 16.

COMMISSIONER NOYES URGES UNIFORM INSPECTION RULES

Standardized farm products inspection proceedure and rules were urged this week by Commissioner Holton V. Noyes of the New York Department of Agriculture following a conference of Commissioners of Agriculture of the Northeastern States. The Commissioner recommended the holding of periodic conferences of the Northeastern officials, to discuss mutual problems. Farm leaders of the States would be included.

Noyes said "it is my attitude that those States which are tributary to a central market area should standardize inspection procedure and rules. As a corollary, there should be an agreement of reciprocal recognition of these standards. I would go so far in this respect as to suggest that we adopt for the cooperating States uniform inspection rules and uniform qualifications for inspectors. We should then accept inspection by one State as adequate for all cooperating States."

The Commissioner continued that he "would standardize the grades of commodities among these States," and "encourage mutual use of marketing facilities by cooperating States." He said that "for consumer protection and to remove restrictive and possibly unfair competitive standards, all grades for common products should be uniform."

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DR. CARL ALSBERG BECOMES GIANNINI FOUNDATION HEAD

The appointment of Dr. Carl Lucas Alsberg as Director of the Giannini Foundation, in succession to Dr. H. R. Tolley, Administrator of the Agricultural Adjustment Administration, was announced this week

at Berkeley, Calif. Dr. Alsberg was formerly head of the Stanford University Food Research Institute and the United States Bureau of Chemistry. It was announced that he will maintain an advisory interest, without pay, in the Stanford Institute, so that "the parallel studies being made into agricultural economics in the State by the two institutions may be given the greatest possible impetus."

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NORTH CAROLINA DAIRY INDUSTRY BEING EXPANDED

The North Carolina Extension Service announced this week that "small dairy farmers in 6 mountain counties of Western North Carolina have captured a \$200,000 annual milk business from other States, and plans are under way to expand the industry as fast as pastures, cows, barns, and other equipment can be added."

The Service reported that about 1,000 farmers in the six counties cooperated in the program. Milk routes have been established and central gathering points have been located for the convenience of the farmers interested in selling the milk and cream. ment was said to be spreading to other counties, both in the mountains and in the nearby foothills. Small demonstration pastures are being established, trench silos dug and filled, and purebred bulls obtained.

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ASSOCIATION REPORTS "CHICK RACKET" STOPPED

Stamping out by the postal authorities of "a racket in selling surplus baby chicks through rural post offices", was announced at New Brunswick, N. J. this week by L. H. Hiscock, Vice-President of the International Baby Chick Association. The practice was to send parcel post shipments to fictitious persons in the East. The rural postman then would receive a wire or airmail letter that a "mistake" had been made in mailing, and a request to auction the chicks and remit the proceeds to the shipper. Hatcherymen in the East protested to the Post Office Department which ruled that chicks should not be accepted for shipment unless addressed to bona fide receivers.

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NEW YORK ECONOMIST REVEALS MILK COSTS

Dr. Leland Spencer of Cornell University told the New Jersey Consumers' Food Institute in session at New Brunswick this week that "consumers pay more for services involved in processing and distributing milk than they do for the milk itself." Using Newark as an illustration, he said that out of the current retail price of 14 cents a quart for grade B milk, only 6 cents go to the farmer. The 8-cent total for molk processing and distribution was broken down

as follows: country plant, 0.5; trucking to city, 0.4; city plant, 0.9; containers, 0.2; delivery, 4.8; administration, 0.2; profit, 1.0.

"Under the present set-up," Spencer said, "it would appear that the efficient New Jersey milk distributor has about 1 cent a quart left as compensation for risk and interest on his capital."

The 6 cents a quart going to the farmer pays for the feeding and care of the cows, depreciation on the dairy herd, maintenance of the dairy farm building, and the many incidental but necessary expenses of production. Labor, including that of the farmer and his family, was reported a major item of production costs.

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CALIFORNIA MILK PRICES ARE INCREASED

Higher prices which distributors shall pay milk producers in 4 California milk marketing areas, under provisions of the Young Milk Control Law, were announced recently by California Director of Agriculture A. A. Brock. The increases were ordered because of "increased costs to dairymen primarily for labor and because of higher butter prices."

Effective October 23, dairy distributors in the marketing areas of Los Angeles County, San Bernardino-Riverside and Orange County were required to pay producers 72 cents per pound milk fat in Class 1 milk, an increase of 3 cents. Dairymen in the Santa Barbara Marketing Area also received 72 cents per pound, effective that date, an increase of 2 cents.

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ADMINISTRATION TO REPORT COTTON EXCHANCE TRANSACTIONS

"Reports on cotton transactions now being received daily by the CEA will be summarized and published in the near future," it was announced today (October 27) by J. M. Mehl, Assistant Chief of the Commodity Exchange Administration.

"This information," he said, "will enable cotton merchants and manufacturers to judge what futures are most liquid and to determine more intelligently their hedging policies. It will tell them when open commitments in any future are on the increase or decrease and will give information of value in connection with the shifting of hedges from one delivery month to another."

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BUREAU UNCOVERS SEED CERTIFICATION FRAUD

The Bureau of Agricultural Economics announced this week that the E. K. Hardison Seed Company of Nashville, Tenn., was recently found to have fraudulently altered Department of Agriculture verified—origin certificates for alfalfa seed. The seed company altered the certificates to show incorrect origin of the seed and then sold and shipped

the misbranded seed.

The Bureau said that this is a violation of the Rules and Regulations of the Secretary of Agriculture Moverning the Origin Verfication of Seed, approved July 25, 1933, and of other Federal authority pertaining to the misbranding of seeds. The Bureau reported that action also has been taken by the Tennessee State Department of Agriculture for the same offense and a fine imposed by that Department.

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THE ILLINOIS EXTENSION SERVICE said this week that about 70 percent of the cheese manufactured in Illinois goes to eastern markets, since "New York has replaced Chicago as the cheese marketing center of the Nation."

THE INDEX of prices of farm products was 112 on October 15, compared with 118 on September 15, and with 121 on October 15 a year ago, it was announced by the Bureau of Agricultural Economics. The decline during the last month was attributed to a sharp break in corn prices, and declines in prices of meat animals, cotton products, and fruit. Compared with a year earlier, all groups except meat animals and poultry were lower.

FOR MORE THAN A YEAR the Federal land banks have been selling more farms than they have been acquiring, it was announced by Albert S. Goss, Land Bank Commissioner of the Farm Credit Administration. The Commissioner reported that the land banks now have 637,131 farm mortgage loans outstanding for \$2,045,000,000, and that loans from the Commissioner's fund number 456,099 for \$823,257,000.

COOPERATIVE ADVERTISING APPROPRIATIONS for promotion of Pacific Coast products were estimated by a trade publication at close to \$5,000,000 for this year. Apples, pears, lettuce, melons, peaches, walnuts, raisins and other food products were advertised in National campaigns.

A FLEECE OPENER, which is said to mix the fleece so thoroughly that a small sample of 20 grams will give a true indication of the quality of the entire fleece, was reported developed at the University of California.

A LEAFLET - "U. S. Graded and Stamped Meat" - is obtainable from the Bureau of Agricultural Economics. It reports that Government meat grades are stationed in 22 important meat centers, and tells how the grading is done.

PUBLICATIONS obtainable from the Bureau of Agricultural Economics include "Crop Insurance in Foreign Countries"; "Living Conditions and Population Migration in Four Appalachian Counties"; "Marketing Texas Spinach, 1936-37 season"; "Tenure of New Agricultural Holdings in Several European Countries"; "Marketing Northwestern Apples, 1936-37 Season"; "Smutty Wheat (A summary compiled from monthly reports of grain graded by inspectors licensed under the U.S. Grain Standards Act, for the crop year beginning July 1936)"; "The Place of Crop Insurance in a Farm Program" by Roy M. Green.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CUPPENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECCNOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTO I, D. C.

November 3, 1937

RECEIVED

Vol. 17, No. 44

WILLARD H. ALLEN, NEW
JERSEY DEPARTMENT HEAD

☆ NOV 1 3 1937 ☆

U. S. Department of Agriculture

Appointment of Willard H. Allen to succeed William B. Duryee as Secretary of the New Jersey Department of Agriculture was announced this week by the New Jersey State Board of Agriculture. Allen has been Extension professor and executive officer for the Agricultural Adjustment Administration in New Jersey. Duryee resigned to become associate executive with a dairy corporation in New York City.

Allen has been Secretary of the Jersey Chick Association, and Secretary of the New Jersey State Poultry Association. He was one of the eastern poultry leaders instrumental in forming the Northeastern Poultry Producers' Council.

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FEDERAL SUPERVISION CINCINNATI LIVE-POULTRY MARKET PROPOSED

Dealers, commission men, and handlers of live poultry in Cincinnati, Ohio were notified by the United States Department of Agriculture, this week, of a hearing on November 10 on the proposed Federal supervision of live-poultry marketing in that city. The hearing is to assist the Secretary of Agriculture in determining whether the Cincinnati area should be designated as a market subject to Federal supervision under the provisions of the Packers and Stockyards Act as amended in August 1935. The amendment provides that the Secretary of Agriculture may designate cities in which licensing is desirable to prevent practices which may result in unreasonably low prices to producers and unreasonably high prices to consumers.

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PENNSYLVANIA ALLEGED POTATO LAW VIOLATIONS

An investigation of reports that unethical wholesale buyers of potatoes are attempting to force down farm prices of potatoes by mis-representing the provisions of the new (Pennsylvania) potato package marking law, was launched this week by the Pennsylvania Department of Agriculture.

The package marking law, enacted by the 1937 legislature, makes compulsory the marking of the grade on the outside of closed packages of potatoes, where the contents have been graded. Ungraded potatoes in closed packages must be marked "unclassified". Violations are punishable by fines from \$25 to \$50 for the first offense and from \$100 to \$500 for subsequent offenses.

ATTN MISS LOLINGER
ATTN MISS LOLINGER

CALIFORNIA REPORTS ON TURKEY INDUSTRY STUDY

Results of study of economic problems affecting turkey marketing in California were reported this week in a bulletin by the Giannini Foundation of Agricultural Economics of the University of California. It was stated that "the Thanksgiving turkey as an institution seems to be slowly passing from the land in favor of an all-year consumption of the delectable bird. However, a considerable November 'peak' still remains, and the Christmas demand is expected to remain as strong as ever.

"The increasing popularity of the turkey in restaurants and hotels has created an all-year-round demand, while the decrease in size of the American family, and a more or less general desire to spend Thanksgiving 'out', has had its effect on demand," it was said. The study revealed that "while the human population of the country has more than doubled since 1890, the turkey population has been cut in half since that time. "But it was stated "the Pacific States produced $2\frac{1}{2}$ times as many turkeys in 1935 as they produced in 1890."

Copies of the bulletin are obtainable from the College of Agriculture, Berkeley, California.

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NEW MEXICO STUDIES BUTTERFAT PRODUCTION

The New Mexico Extension Service reported this week that costs records kept on 90 herds with a total of 906 cows, have revealed net returns of \$63.90 per cow for the 10 high producing herds compared with an average of \$25.89 for the 10 low herds. Each cow in the higher production group made almost exactly as much net returns as $2\frac{1}{2}$ cows in the lower production group. Dairymen who milked 10 cows in the higher production group made as much money as those who milked 25 cows in the lower production group.

The Extension Service reported much interest in the State this fall in herd improvement through better sires.

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FARMERS CAUTIONED ON ORIGIN OF SEED

A caution to farmers to "know the origin of the alfalfa and red clover seed purchased this year" was issued this week by the Bureau of Agricultural Economics. The Bureau reported short supplies of adapted seed of both alfalfa and red clover and a wide differential in price between unadapted and adapted seed. It was stated that the carry-over of alfalfa seed was very small, that production in the Northern and Central States this year was much below average, but that production in the Southwest was above average. Cooperating public and private agencies were urged to help in discouraging the use of unadapted seed.

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The North Carolina Experiment Station recently issued a bulletin on "The Organization, Practices, and Membership Participation of Two North Carolina Farm Cooperatives."

THE FARM OUTLOOK FOR 1938

The Bureau of Agricultural Economics issued this week its series of Annual Outlook Reports giving the results of an analysis of current and prospective production, supply, and demand factors facing farmers in planning their 1938 operations. More than 100 Federal and State extension economists assisted in the preparation of these reports.

Less favorable demand conditions for farm products in 1938 than in 1937 were indicated on the basis of an analysis of domestic demand conditions. Foreign demand probably will show little, if any, improvement, it was stated. The Bureau said that "both prices and buying power per unit of farm products are expected to be lower in 1938 than in 1937; cash farm income, including cash income from farm marketings and Government payments, may be somewhat less than in 1937."

An increase in farmers' short-term borrowings in 1938 was fore-cast in view of rising farm production costs and the need for replacements and additions to equipment. But the Bureau said that "ample lending resources for meeting the increased credit needs are available", and that "interest rates are likely to be little different from rates prevailing in the current year."

A slight rise in many of the farm costs of producing crops and livestock was forecast. The Bureau explained that "along with higher wage rates, farmers apparently will have to pay somewhat higher prices for farm machinery, automobiles, building materials, equipment and supplies. Fertilizer prices also will be a little higher but advances in these prices are not expected to be as large as for other groups. Prices of feed will be substantially lower than a year earlier, and seed prices will be considerably lower than in the spring of 1937."

The supply of feed grains per grain consuming animal was reported the largest since 1932 and somewhat above the 1928-32 average - a situation which is expected to result in heavier feeding of livestock now on farms, and an increase in production of hogs, fat cattle, and dairy and poultry products.

A record-breaking world supply of about 50,800,000 bales of cotton for the 1937-38 season was estimated, and "another large United States seeding of wheat - for 1938 harvest - " was reported in prospect. The Bureau said that "if wheat growers respond to relatively high prices this year as they have in the past, it is probable that the acreage seeded for the 1938 harvest will not differ greatly from the 81,000,000 acres seeded for this year's crop - the largest seeded acreage in the history of the country."

Total supplies of hog products during the current marketing year ending on September 30, 1938, will be about the same as in 1937, it was stated. There will be fewer but heavier hogs, and more hogs in the second than in the first half of the marketing year. Prices to producers are expected to average lower than in 1936-37.

Meats will be more plentiful and lower priced in 1938, the Bureau said, with most of the increase in the supply in the last half of the year, and consisting largely of pork and the better grades of beef. Supplies of veal and the lower grades of beef will be less than in 1937, and the supply of lamb about the same, it was stated.

Conditions in the dairy industry are likely to average better in the next 3 or 4 years than during the last 4 or 5, the Bureau said. Rising prices of milk cows in 1938 and 1939 are expected. It was stated further that "during the next two years, at least, the relation of feed prices and other costs of production to prices of dairy products seems likely to be rather favorable for dairymen,"

Improvement in several phases of the poultry and egg industry in 1938 was forecast, since a more favorable relation of feed prices to egg prices is expected in early 1938 as compared with early 1937. The Bureau said that the size of laying flocks will reach "a cyclical low point in 1938", that "the rate of egg production per hen in 1938 is expected to be less than in 1937", and that "egg marketings are expected to be less."

A further increase in production of truck crops for market in 1938 was reported, with "acreage increases expected for lettuce, onions and lima beans, and most other commodities holding close to the levels of the 1937 harvested acreage." Some decrease in cabbage acreage is expected in the late Domestic and Danish areas.

"Cash income available for farm family living has been higher in 1937 than in 1936 but may be somewhat less in 1938," the Bureau said. This outlook was based on the prospect that total income from the sales of farm products in 1938 may be somewhat lower than in 1937, and that expenses of production will be slightly higher. Income from Government payments is expected to be somewhat larger in 1938 but not enough to offset the decline in income from products sold.

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Public Notice

Pursuant to an order of the Secretary of Agriculture, dated October 4, 1937, public notice is hereby given that the followingnamed city has been designated as subject to the requirements of the Act of Congress approved August 14, 1935 (Public No. 272--74th Cong.) entitled "An Act to amend the Packers and Stockyards Act," by adding a new title, "TITLE V--LIVE POULTRY DEALERS AND HANDLERS":

St. Louis, Missouri.

The effective date of this designation is November 19, 1937. On and after that date all persons engaged in activities in St. Louis, Missouri, in connection with the handling of live poultry in interstate commerce are required to be licensed by the Secretary of Agriculture as provided for by said amendment and those not so licensed will be subject to the penalties provided therein.

Copies of the Act and blank applications for securing licenses thereunder may be obtained from C. S. Jones, 20 Live Stock Exchange Building, National Stock Yards, Illinois.

MARKETING ACTIVITIES

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November 10, 1937

RECEIVED ☆ NOV 20 1937 ☆

STATE COMMISSIONERS TO

HOLD TWENTIETH CONVENTION U. S. Department of Agriculture

The 20th annual convention of the National Association of Commissioners, Secretaries and Directors of Agriculture is to be held at Washington, D. C., during the week of November 15.

The program includes discussions of State problems, policies and practices in 1937, interstate trade in farm products, National farm problems and programs, farm legislation, grading and marketing of farm products, cream grading laws, and "agricultural prosperity for non-surplus crops."

It is planned to hod a joint session with the Association of Land Grant Colleges, to be addressed by Secretary Wallace. A. A. Brock of California is President of the National Association; Jewell Mayes of Missouri is Secretary and Treasurer; Nathan Mayo of Florida is Vice-President.

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CALIFORNIA FRUIT GROWERS TO CONVENE AT SAN JOSE

The 70th California Fruit Growers and Farmers Convention is to be held at San Jose, California., December 6, 7 and 8. Subjects to be discussed include fruit and vegetable standardization, agricultural pro-ration activities, marketing of California pears, livestock, marketing, marketing of California nut crops, milk marketing programs, transportation problems of agriculture, and agricultural labor and the National agricultural program.

The Convention is said to be the oldest in point of years of any of the gatherings of agricultural grower groups in the State. It is sponsored by the California Department of Agriculture. The Department says that from the conventions have come many important resolutions which have led directly to important progress in California agriculture, such as regulations for control of insect pests and plant diseases, standardization of fruits and vegetables, establishment of plant quarantines, and many other phases of agricultural protection, regulation and control now administered and enforced by the California Department of Agriculture and the county agricultural commissioners.

THE ANNUAL DAIRY MANUFACTURERS CONFERENCE is to be held at the Illinois College of Agriculture at Urbana, November 17 to 20. New trends in the dairy industry will be reviewed, and major problems in dairy manufacturing will be discussed.

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NATIONAL WOOL GROWERS PROMOTING LAMB CONSUMPTUON

The Minnesota Extension Division announced this week that "because their marketings of sheep have increased about 300 percent since 1930, Minnesota lamb and mutton producers have a big stake in the National Lamb advertising campaign now being waged under the sponsorship of the National Wool Growers Association to promote consumption of lamb and mutton throughout the United States."

W. B. Garver of the Division said that "although the average American consumes one-third more lamb and mutton now than in 1923, these products still make up less than 6 percent of his total meat demand. In the present campaign, thousands of retail stores, meat packers, hotels, and other food outlets are cooperating through newspaper advertising and other means. A similar sales campaign held last winter proved effective."

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OHIO FINDS ITS FARMERS IN GOOD POSITION

The Ohio Extension Service announced this week that "in adapting government business outlook reports to Ohio farm conditions, the average farmer is in a better economic position than the average United States farmer for the next 12 months. The Ohio farmer has a relatively large supply of livestock and also has a fairly large feed supply."

From January 1, 1934 to January 1, 1937, it was stated, the number of cattle and calves in the United States declined 11 percent, but "there was a decrease of only 2 percent in the numbers of cattle and calves in Ohio. Farmers in the whole Nation reduced the numbers of cows by 7 percent, but the numbers decreased only 2 percent in Ohio; the number of hogs on farms in Ohio declined only 11.6 percent, whereas the decline for the entire country was 27 percent."

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SOUTH EXPERIMENTING IN FLAXSEED PRODUCTION

The Agricultural Committee of the New Orleans Association of Commerce reported this week that much attention is being given now to the possibility of producing flax in certain parts of the Southern States. Heretofore, flax has been produced largely in northern areas, but the Committee says experiments are being made in its production in the Gulf Coast area. Available information seems to indicate possibilities of producing the crop on fallow rice lands and upon new lands just being put into cultivation, it was stated.

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NOYES_DEPLORES_OVER— EMPHASIS ON STATE MILK

"Farmers of New York State are over-emphasizing the production of milk," it was recently stated by Commissioner Holton V. Noyes of the New York Department of Agriculture and Markets. He advised the dairymen to "establish and develop farmer-owned facilities for utiliza-

tion of surplus milk," and to "inaugurate at once a program of greater diversification of agriculture on the dairy farms of the State." He said he believed that "North Country farmers lost control of their business years ago when the transition was made from the manufacturer of cheese to shipping fluid milk to big city markets."

Among the Commissioner's suggestions for diversification of farming were hop production, wool production, raising barley for malting purposes, grain growing, horse breeding and production of beef cattle.

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NEW HAMPSHIRE SETS UP TURKEY GRADES

Two grades for turkeys - "Fancy" and "Choice" - were promulgated on October 21 "as the official turkey grades for New Hampshire grown turkeys" by Commissioner A. L. Felker of the New Hampshire Department of Agriculture. Commissioner Felker said this was in response to the interest of turkey raisers of the State in marketing birds on a graded and identified basis. This fall the Commissioner was asked by the New Hampshire Turkey Growers' Association to promulgate grades so that "marketing practices in the State may be improved and the turkey growers keep apace with methods used in neighboring States."

Any producer in the State is privileged to market his turkeys under the State grades, but only those producers who file application for official permits and who are granted such permits by the Commissioner, can use the State identification mark commonly known as the "New England Label."

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PEACH TREE SURVEY

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Although some of the once popular peach varieties in New Jersey are becoming forgotten names, a group of new hardy varieties recently developed promise to replace them, according to the New Jersey Department of Agriculture, announcing the results of a peach tree survey.

The survey revealed a definite downward trend in varieties such as Late Elbertas, Belles of Georgia, Hileys and Augberts, and an increase of J. H. Hales, Golden Jubilees, Golden Easts and others.

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MICHIGAN ADOPTS

FEDERAL POTATO GRADES

The Michigan potato grading act establishing standards on a schedule paralleling grades of the Bureau of Agricultural Economics went into effect October 29. The net effect of the new law, so far as actual grades are concerned, it is said, adds the U. S. Commercial standard to the other United States grades already official for Michigan. This latter grade is described as meeting requirements identical with U. S. No. 1 grade except that it shall be free only from "serious damage" caused by dirt and may carry increased tolerances as to undersize,

sprouting, hollow heart, and soft rot. The new law requires all potato packages to be branded or stenciled showing grade, net contents when packed, and the name and address of persons responsible for shipment. All table stock potatoes sold at retail in Michigan must be graded by a licensed grader according to U. S. standards. Only exception is in the case of farmers marketing their own produce.

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THE FARM OUTLOOK FOR 1938

A reduction in the slaughter of cattle and calves in 1938, below the near-record high level in 1937, was indicated this week by the Bureau of Agricultural Economics in its annual outlook report. But an increase in average weights is expected to offset in part the reduced slaughter, so that the total beef supply will be nearly as large as in 1937.

The Bureau said that a reduction in plantings of potatoes in early and intermediate producing states is expected in 1938. But this decrease may be offset by an increase in the late producing States. The net would be a total acreage about the same as in 1937. Prospect for a 20-percent increase in sweetpotato acreage in 1938 over the 1937 harvested acreage was indicated.

A 15 to 20-percent increase in the total supply of canned vegetables for the 1937-38 season was estimated. A reduction was urged in the 1938 planted acreage of several important crops - to a level ranging from 15 to 25 percent below that of 1937.

A material reduction in acreage planted to dry beans - especially Pea Beans, Great Northern, Baby Lima, and Blackeye - in 1938 was indicated.

Average production of all fruits during the next 5 years will probably be larger than the average for the 5-year period just passed, it was stated. But consumer demand also will probably average higher, with the result that producers' income from fruit production will probably be somewhat increased, the Bureau said.

More lambs will be fed - principally in the Corn Belt - this winter than last, it was stated. Marketings of fed lambs will accordingly increase from December through April, but the Bureau said that marketings from sources other than feed lots probably will be less than in this period a year earlier.

The outlook for an increase in production of mohair in 1938, at a time when the demand for this product will be less than in 1937, was issued. It was stated that because of the relatively high prices during most of the current year, manufacturers apparently are substituting increasing quantities of coarse wool and rayon for mohair.

The outlook for flue-cured tobacco in 1938 suggests the need for a reduction of about 10 percent from the acreage harvested this year - "if the present marketing situation is to be maintained," the Bureau said.

STATE AND FEDERAL MARKETING ACTIVITIES

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November 17, 1937

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COMMISSIONERS HEAR PLEA

FOR "INTERSTATE FREE TRADE"

A plea for the maintenance of "interstate free trade" in agricultural products was made this week by Wells A. Sherman of the Bureau of Agricultural Economics, addressing the National Association of Commissioners, Secretaries, and Directors of Agriculture in annual convention at Washington, D.C.

Sherman referred particularly to laws "calculated to harass the free movement of fruits and vegetables into, and their sale within certain States." He said there are only two legitimate reasons for State barriers: to prevent the spread of a pest or disease, and to stop the movement of adulterated, fraudulent or deceptive products.

The speaker said there are provisions in some State laws and regulations, the enforcement of which would weaken the economic structure built upon free internal movement of the Nation's commodities. "Occasionally," he continued, "we see an entire statute ostensibly designed to regulate or improve a strictly local situation but unmistakably designed also to make the markets of that State less attractive to the shippers of certain lawful products from other States."

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COURT SAYS FILLED MILK ACT IS UNCONSTITUTIONAL

The Federal Filled Milk Act, which became law on March 4, 1923, has been declared unconstitutional by the Federal Court for the Southern District of Illinois, it was announced this week by the Food and Drug Administration at Washington.

The act was passed by Congress for the purpose of forbidding the interstate distribution of any combination of milk, cream, or skim milk with any fat or oil other than milk fat so as to resemble or imitate pure milk, cream, or skim milk, in any form.

The case arose on interstate shipments of manufactured products by a company in Illinois. Analysis showed both products to be composed essentially of evaporated skim milk and coconut oil in semblance of evaporated whole milk. The manufacturer filed a demurrer to the indictment on the ground that the act was unconstitutional.

The Food and Drug Administration announced its intention to seek a review of the decision by the United States Supreme Court.

NORTH CAROLINA TO LIMIT FIBER IN FEED

Farmers, manufacturers and technical experts recently meeting with North Carolina Department of Agriculture officials agreed to limit the amount of crude fiber to be placed in dairy and poultry feed. A committee was appointed to recommend the percentage of crude fiber allowable. Crude fiber was defined as "the least digestible portion of a feed, such as the woody parts of plants." The North Carolina Board of Agriculture has legislative power to set limits.

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NORTH DAKOTA STUDYING GRAIN STORAGE ON FARMS

Types of storage bins best calculated to preserve the quality of wheat stored on farms are being studied by the North Dakota Experiment Station in cooperation with the United States Department of Agriculture. Twelve 500-bushel experimental bins and 12 20-bushel bins have been constructed at the experiment station by the Federal Department. Similar research is being done in Kansas, Illinois and Maryland. The results are expected to yield information enabling engineers to design structures to make safe and practical the storage of wheat on farms.

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MARKETING TO FEATURE CONNECTICUT GROWERS MEETING

The Connecticut Department of Agriculture announced this week that marketing problems would feature the discussions at the 25th annual convention of Connecticut vegetable growers, to be held at Waterbury, December 7 and 8. Speakers will include Wells A. Sherman of the Bureau of Agricultural Economics, Rollin H. Barrett of the Massachusetts State College, and E. R. Gross of the New Jersey State College.

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LOUISIANA SEEKS BETTER . MARKET VEGETABLE VARIETIES

The Louisiana vegetable industry is seeking to improve the varieties of vegetables shipped to market, according to the New Orleans Association of Commerce, citing research by the Louisiana Experiment Station.

The Association said that "for many years, Louisiana was a leading carrot shipper, but the quality of the stock marketed deteriorated and many of the former markets were lost." Besides seeking to improve the quality of carrots, the Experiment Station is trying to breed new varieties of sweet potatoes.

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DECEMBER 16-18 are the dates of the Nineteenth Annual Convention of the National Association of Marketing Officials. The place is New York City.

SECRETARY WALLACE OUTLINES FARM PROGRAM

Outlines of a program designed "to promote security for both farmer and consumer", and to encourage "balanced increasing production on farms and in factories" were issued this week by Secretary Wallace in his annual report to the President. The report analyzes the community of interest between farmers and city dwellers, and declares that "on this foundation, with the tools of group unity used in truly democratic processes, we can begin to build security for farmer and consumer."

Secretary Wallace pointed out that the agricultural supply situation is very different now from 4 or 5 years ago, and declared that the continued assent of consumers to farm programs designed to give farmers a fair and stable income will depend on the willingness of the farmers to keep the granaries full.

The Secretary said that the ever-normal granary will be most useful with corn and wheat, and that in a different way it may be applied also to cotton. Economic adjustment in the future, he said, should promote "balanced expansion so that labor, capital, and natural resources can be employed and at the same time conserved."

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PENNSYLVANIA PRODUCTS GAYLY COLORED FOR GRADE

Blue, red, green and orange labels are appearing this fall on farm products marketed by Pennsylvania growers. The colors signify grades 1 to 4 in the order named, as officially promulgated by the Pennsylvania Department of Agriculture. The products include vegetables, fruit, meats, poultry, eggs, dairy products, nuts, mushrooms and honey. The colored labels, it is said, make possible easy selection by shoppers.

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CALIFORNIA TO REVIEW MARKETING AT CONVENTION

Marketing laws and practices will occupy a large share of the discussions at the California Fruit Growers and Farmers Convention to be held at San Jose, California, December 6-8. Among topics to be covered are the effects of the enforcement of fruit standardization laws upon the returns of citrus growers, the "much-discussed" California agricultural pro-rate law, milk marketing and fruit marketing laws, and enforcement of fruit standards.

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ILLINOIS FINDS CHRISTMAS TREE PLANTATION PROFITABLE

Growing Christmas trees for a short rotation tree crop is a possibility for Illinois farmers to increase their income from idle land, according to J. E. Davis, extension forester, Illinois College of Agriculture. Davis cites a profitable experience on a plantation in Livingston County. Twelve hundred trees to the acre planted in 1932 sold in the winter of 1936-37 at the rate of 40 cents a tree. Costs were about \$50 an acre.

NORTH DAKOTA SCHEDULES WOOL GRADING DEMONSTRATIONS

Wool grading will be demonstrated and wool marketing methods will be explained at a series of sheep and wool meetings for flock owners in 13 of the main producing counties of North Dakota, during the period November 29 through December 11, it was announced this week by the North Dakota Agricultural College. The sessions will include discussions of the outlook for sheep and wool during the coming year.

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SHORTS OF THE WEEK

AN ESTIMATED probable increase of 500 million pounds in the production of major vegetable oils from the crops of 1937 compared with last year was reported by the Bureau of Agricultural Economics. The oils include cottonseed, soybean, corn and peanut. The increased production is based on a cottonseed supply about 47 percent larger than in 1936-37, and an expected increase of 20 percent or more in the production of soybean oil.

WORLD SUPPLIES of wool in 1938 probably will be slightly larger than in the present year but smaller than the average of the last 5 years, it was said by the Bureau of Agricultural Economics. Mill consumption of wool in the United States and possibly in some foreign countries in 1938 is expected to be less than in the present year.

FOR THE FOURTH SUCCESSIVE YEAR, stocks of leaf tobacco owned by dealers and manufacturers in the United States on October 1 have shown a reduction. Total stocks at the beginning of October this year were 102,618,000 pounds less than on October 1 a year ago, according to the quarterly tobacco stocks report by the Bureau of Agricultural Economics.

PRICES OF DAIRY PRODUCTS have gone up recently in the face of declines in many other commodities and their relationship with feed prices is favorable to dairymen, it was reported by the Bureau of Agricultural Economics.

THE LOUISIANA POTATO with little prestige - the yam - is expected to bring \$8,000,000 by the time all the crop is disposed of next spring, according to J. G. Richard of the Louisiana Extension Division. He said that about 70 percent of the 170,000 farmers of the State are busy digging an estimated record crop of sweet potatoes.

WAGE RATES for farm labor are likely to rise during the next few years, and desirable farm labor will probably be especially scarce, according to Dr. F. A. Harper of the New York College of Agriculture. He said that farmers will need to find ways to reduce requirements for hired labor or raise wages to prevent the labor supply from shifting to non-agricultural work.

THE IMPORTANCE of the British market to United States tobacco producers is emphasized in a study by P. G. Minneman of the Bureau of Agricultural Economics, in a report (obtainable from the Bureau) entitled "The Tobacco Market in the British Isles."

STATE AND FEDERAL

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November 24, 1937

LIBRARY

Vol. 17, No. 47

PAPER CONTAINERS CUT
MILK MARKETING COSTS

DEC 1 0 1937 ☆
U. S. Department of Lightness

Use of paper milk containers makes possible a saving of $2\frac{1}{2}$ cents a quart in retail deliveries and of 1 cent a quart in wholesale deliveries when compared with costs for distributing milk in glass bottles, according to R. W. Bartlett of the Illinois College of Agriculture. This conclusion is based upon a review of comparative costs of the distribution of milk in New York City where out of a total of 2,400,000 units sold each day, 600,000 are in paper containers.

Consumer tests by the college were reported to have shown a preference for the paper container over ordinary glass milk bottles. Bacteriological studies showed that when the paper container is properly made and properly handled it is "fully as safe as any container can be made." Bartlett reported that if the use of paper containers continues to bring about lower costs for store distribution of milk coincident with rising costs of retail deliveries, the use of single service containers may be expected to expand.

The proportion of store distribution of milk was reported as having increased in recent years. (A paper dealing with the increasing spread between retail delivered prices of market milk and retail store prices of evaporated milk; handling margins for market milk; retail and wholesale distribution costs, and decreases in costs of processing and distributing evaporated milk is obtainable from the Illinois Extension Service, Urbana. It is entitled "Increasing the Efficiency of Milk Distribution.")

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JERSEY PRODUCE AUCTIONS REPORT RECORD SALES

More packages have been sold at New Jersey fruit and vegetable auction markets, and for a slightly higher return, this year to date than during the entire season of 1936, according to Warren W. Oley, Chief of the New Jersey Bureau of Markets. Farmers received a little less than \$2,300,000 from sales at the auctions during the first 10 months of this year, compared with a little more than \$2,200,000 during all of 1936. A steady annual increase in the value of produce sales since the first auctions were organized in 1928 was reported.

Success of the New Jersey auctions has attracted nation-wide attention, Oley said.

LOUISIANA WOULD ADVERTISE MILK, FRUITS, VEGETABLES

Noting the recent trends in State legislation providing for the advertising of farm products, the Agricultural Committee of the New Orleans Association of Commerce issued a statement this week that "Louisiana needs something of a similar nature for its production of 15,000 carloads of fruits and vegetables." It was stated that "the dairymen of the State are faced with about the lowest per capita milk consumption in the entire country"; that a "law providing for the collection of a small fund for advertising milk would be of value to the dairy industry of the State."

The Association cited press reports that an Idaho court has upheld a law passed in that State providing for an advertising campaign on fruits and vegetables grown in Idaho, to be financed out of a 1-cent per hundredweight tax on the various commodities. Florida was reported to have an advertising law of a similar nature, which has also been upheld in the courts.

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FARMERS USING SURPLUS FUNDS TO RETIRE LOANS

For the first time in several years, farmers are repaying the Federal land banks more principal money than the amount of new loans, it was announced this week by the Farm Credit Administration. In September, repayments exceeded new loans by more than \$1,350,000.

It was stated that "many farmers have used surplus money to retire their loans more rapidly than required; so far this year, about 10,000 have repaid their land bank loans in full. About \$20,000,000 was paid in to retire loans in full and some \$29,000,000 consisted of installments and special payments."

The figures were reported as indicating that "at the present time, the majority of farmers with land bank loans have their finances in better shape than at any time since the depression began - many in far better There is a steady demand for loans to finance the purchase of farms; but refinancing of distress debts and other obligations is at the lowest point since the Farm Credit Administration was organized."

FARMERS' SHARE CONSUMER'S DOLLAR ESTIMATED AT 46 CENTS

Farmers by the end of this year will have received an average of about 46 cents of the consumer's dollar spent for a list of 58 foods, it was estimated this week by the Bureau of Agricultural Economics. The farmers' share in 1936 averaged 44 cents, in 1935 it was 42 cents, and in 1933 it was 35 cents. The figure for 1929 was 47 cents.

A 77-percent rise in the farm value of the 58 foods during the last 4 years was reported, a 35-percent advance in retail prices of these foods, and a 13-percent rise in the margin going to processors, distributors and others. The farm value of the 58 foods consumed annually by a workingman's family was \$92 in 1933. The farm value of the same bill of foods in 1937 is estimated at \$163.

NEW JERSEY SEES END OF POULTRY DEPRESSION

The long depression in the poultry industry in New Jersey appears to be at end, it was announced recently by Secretary William B. Duryee of the New Jersey Department of Agriculture. Poultry feed prices have taken a definite downward trend while the farm price of eggs is more satisfactory than a year ago, he explained. He added, however, "it will be some time before poultry farmers will see a noticeable improvement because during the prolonged depression they entailed many debts which must be paid before they can appreciate this changed trend in their industry."

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REPORT ISSUED ON MILK TRANSPORTATION

Results of an economic study of the transportation of milk in the Philadelphia milkshed have been published by the Farm Credit Administration. It is stated that methods of transporting milk and the hauling agencies employed have changed radically since about 1920, not only in the Philadelphia milkshed but in practically all of the larger milksheds. Chief among these changes are a rapid shift from railroad to truck transportation of milk hauled from the receiving stations to the terminal markets, the carrying of milk in tanks instead of in cans, the increased shipment at carload rates of milk hauled by railroads, and the increase in direct hauling of milk from farm to city plants with the resultant closing of many receiving stations.

A printed bulletin on the subject is obtainable from the Farm Credit Administration, Washington, D. C.

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CALIFORNIA AGENTS VIOLATE EGG LAW

California agents for a company of packers recently were prosecuted and convicted for violation of the California Egg Standardization Act in delivering falsely-graded eggs to a retail store. The complaint alleged the eggs had been delivered under markings indicating the eggs to be a higher quality than found when inspected. The agents plead guilty, a fine of \$25 was assessed, but payment of the fine was suspended.

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REPORT SHOWS GROWTH CHAIN PRODUCE SALES

Chain stores are retailing about one-fourth of the total supply of fresh fruits and vegetables consumed in the eight principal cities of the Northeast, it was reported jointly this week by the Bureau of Agricultural Economics and the New Jersey College of Agriculture. Most of the chains were said to be operating their own produce warehouses, thereby integrating the jobbing function and in part that of wholesale receiving as well. Increasingly, they are buying their fruits and vegetables direct from growers and shippers at country points, rather than

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from handlers in the terminal wholesale markets. The study concludes that the introduction of mass methods by the chain systems has improved the efficiency of fruit and vegetable distribution. Copies of the report - "Chain Store Distribution of Fruits and Vegetables in the North-eastern States" - are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

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THE INDEX of prices of farm products was 107 on November 15, representing a reduction from 112 on October 15, and comparing with 120 on November 15 a year ago. The October to November drop this year was the largest for the period since 1920. Only commodities to advance were dairy and poultry products.

OHIO POULTRYMEN with lightweight breeds get 80 percent of their income by the sale of eggs and only 20 percent from sales of meat, according to the Ohio Extension Service. Income from heavy breeds is divided 65 percent from eggs and 35 percent from meat.

AGRICULTURAL LOANS of commercial banks, reflecting in part a seasonal expansion, increased 14 percent during the first half of 1937. This is the first increase to be shown in such loans in any recent years, according to Norman J. Wall in a supplementary report on agricultural credit developments relating to commercial banks, issued by the Bureau of Agricultural Economics.

OCTOBER cash farm income from marketings plus Government payments totaled \$911,000,000 compared with \$821,000,000 in September, and with \$904,000,000 in October last year. The total for the first 10 months of this year was \$7,087,000,000 compared with \$6,336,000,000 during the corresponding period last year, according to the Bureau of Agricultural Economics.

"CONTRACT Feeding and Pasturing of Lambs and Cattle" is the title of a bulletin obtainable from the Farm Credit Administration. It describes the development and growth of contract feeding, gives some results obtained from contract-feeding operations, tells of the attitudes of growers and feeders toward contract feeding, and describes opportunities for improvement in methods and practices.

"MARKETING Apples, New Jersey and Competing States" is the title of a circular obtainable from the New Jersey Department of Agriculture. It gives a short history of the apple industry, describes the geographical distribution of the industry in exporting countries, describes the movement of the apple crop to market, and discusses subjects such as cold storage holdings, prices of apples at the New York market, and the apple export trade.

A PROCESS that sterilizes wool fabrics without damaging the fibers has been discovered by three workers in the United States Department of Agriculture. It is believed to have practical possibilities for commercial use. It is to be tested in dry-cleaning and other industrial plants.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CUPRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

December 1, 1937

☆ DEC 1 0 1937 ☆

Vol. 17, No. 48

U. S. Department of Agriculture

MARKETING OFFICIALS TO DISCUSS TRADE BARRIERS; OTHER SUDJECTS

Nineteenth Annual Convention at New York to Deal with Advertising and Distribution of Farm Products.

The tentative program of the Nineteenth Annual Convention of the National Association of Marketing Officials, to be held at New York City, December 16-18, was announced this week by Warren W. Oley, Acting Secretary of the Association.

The first day of the convention will be given over almost entirely to discussions by Federal, State and commercial representatives on "The Effects of Trade Barriers vs. Constructive Legislation." Commissioner Noyes of the New York Department of Agriculture and Markets will act as Chairman of the morning meeting.

The National viewpoint as to State trade barriers in the marketing of farm products will be presented by Wells A. Sherman of the Bureau of Agricultural Economics; the fruit and vegetable viewpoint, by Horace Herr, Secretary, National League of Wholesale Fresh Fruit and Vegetable Distributors; the egg and poultry viewpoint, by James M. Gwin of the University of Maryland.

At the afternoon session there will be a round table discussion of trade barriers, with Lloyd S. Tenny, Business Manager of the Chicago Mercantile Exchange as chairman, dealing with eggs and poultry. Participants will be Earl W. Benjamin of the Pacific Egg Producers' Cooperative, Inc., C. L. Poole of New York, Julius Kroeck of Massachusetts, Leon Todd of New Jersey, and Frances Foley Gannon of the New York City Bureau of Markets.

There will be a round table discussion of the same subject as affecting fruits and vegetables, with R. G. Phillips, Secretary of the International Apple Shippers' Association, as chairman. Comments will be by Frank O. Urie of the National League of Wholesale Fresh Fruit and Vegetable Distributors, Charles Havenor of New York City, E. A. Flemming of the Ohio Division of Markets, C. E. McCormick of the Texas Markets and Warehouse Division, and John A. Logan of the National Association of Food Chains.

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The round tables will be followed by general discussions of trade barriers and summations by Chairmen Tenny and Phillips.

The second day of the convention will be given over to the subjects: "The National Poultry Producers' Federation and Its Significance to the Poultry Industry"; the "Seventh World's Poultry Congress and Exposition"; and "What the City of New York is Doing to Facilitate Food Distribution in the World's Largest Market." The last-named session will be under the chairmanship of Gordon C. Corbaley of the American Institute of Food Distribution. Speakers will include the Hon. Fiorello H. La Guardia, Mayor of New York City; Hon. William Fellowes Morgan, Commissioner, New York City Department of Markets; and Hon. Thomas E. Dewey, District Attorney Elect of New York City.

"State and Association Advertising of Farm Products" will be the subject of discussions on the third day, under the chairmanship of C. W. Kitchen of the Bureau of Agricultural Economics. The Maine potato advertising program will be described by Charles M. White of the Maine Division of Markets; the Florida citrus advertising program, by L. M. Rhodes of the Florida State Marketing Bureau; the New York State milk advertising program by Paul Smith of the New York Bureau of Milk Publicity; publicizing the Northeastern apple, by Henry S. Ortega of the New York and New England Apple Institute, and the National egg publicity program, by Benjamin Titman of the National Egg Council, Inc.

At the afternoon session of the third day, "Fishery Products Standardization and Market Reporting" will be discussed by J. H. Meek of Virginia, and "Livestock Marketing" by C. E. McCormick of Texas.

NORTH CAROLINA GETS TOBACCO GRADING SERVICE

Tobacco growers of North Carolina will receive a premium for their crops next season as a result of the grading and marketing program being conducted in the State, it was announced this week by Randal B. Etheridge, chief of the North Carolina Markets Division. Tobacco grading schools are being held in the western counties of the State, in cooperation with the Bureau of Agricultural Economics, and the North Carolina Extension Service.

Grading schools have been completed in 6 counties, where it was stated "there is a real interest on the part of the growers in marketing practices necessary in connection with the preparation and handling of burley tobacco."

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MAINE FARM PRODUCTS TO BE OFFICIALLY LABELED

Marketing of Maine products bearing State of Maine labels, the products to include potatoes, lobsters, sardines, blueberries, eggs,

apples, corn and other canned goods was announced this week by the Maine Department of Agriculture. The work is supported by State and private agencies which plan an extensive advertising campaign in eastern cities. State of Maine potato advertising copy has been appearing in Eastern newspapers.

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NEW JERSEY TO HAVE TURKEY MARKETING PROGRAM

The New Jersey Department of Agriculture announced this week the organization of a New Jersey Turkey Growers' Association to investigate in cooperation with the New Jersey Department the practicability of establishing State grades for turkeys and of identifying the birds by means of official State labels. Information is being sought from other States which are now using official labels, and from those which have employed official grades in marketing poultry.

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PRODUCE DEALERS' FEDERAL LICENSE IS REVOKED

Revocation of the produce dealers' license of Richman & Samuels, Inc., of New York City, under authority of the Perishable Agricultural Commodities Act, was announced this week by the Bureau of Agricultural Economics. The license was revoked by the Secretary of Agriculture on November 20 following admission by Richman & Samuels of material allegations in a Department of Agriculture complaint that the respondents over a period of 5 years had rendered incorrect accountings of 144 interstate shipments of produce consigned by 18 different shippers.

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<u>CALIFORNIA STUDIES</u> <u>CATTLE-RAISING COSTS</u>

Results of beef cattle cost studies were announced this week by the University of California. As an average, for 11 counties, an average investment of \$161.66 per animal unit was reported. Items included in the investment are land, buildings, equipment, feed, stock, permanent and non-permanent pasture, range and land for producing hay. Pounds of beef produced per animal averaged 284.7. The net annual cost of production per animal unit was \$16.84 in the southern counties, and \$16.20 in the northern. The net cost per hundredweight was \$5.89 in the southern counties, and \$5.72 in the northern. The net profit showed showed minus 27 cents a hundredweight for the southern section, compared with 38 cents for the northern section.

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KENTUCKY TOBACCO GROWERS VOTE FOR FEDERAL SERVICE

The Bureau of Agricultural Economics announced this week that burley tobacco growers, patrons of the Danville, Kentucky, market, have voted in favor of Federal inspection of tobacco offered for sale in that

market. The referendum was conducted by the Bureau during November. Inspection and market news service will be provided during the season which opens December 6. Of the ballots eligible to be counted, 96.4 percent favored official designation of the market for free and mandatory inspection of tobacco prior to sale. Several hundred additional ballots could not be included in the official count because of defects, but the Bureau reported that 96.5 percent of these favored inspection.

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NORTH CAROLINA HOG INDUSTRY SHOWS GAIN

Five hundred carloads of hogs were shipped, cooperatively, from North Carolina this year. Seventeen years ago, shipments were 14 cars. The North Carolina Extension Service cited these figures this week, by way of showing the expansion in hog production in the State. Besides the 45,000 head shipped cooperatively this year, and additional 150,000 head were sold to packers through order buyers, hucksters, and other non-cooperative agencies, and another 150,000 head were sold to local buyers for neighborhood consumption as fresh pork, sausage, and barbecue. The Service estimated that the equivalent of 50,000 to 100,000 hogs are being sold to buyers as bacon, and 400,000 to 450,000 head slaughtered for home consumption on the farms.

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COTTON FUTURES TRANSACTIONS on the New York Cotton Exchange, the New Orleans Cotton Exchange and the Chicago Board of Trade are being made public daily by the Commodity Exchange Administration. Reports show the volume of daily transactions, the amount of open commitments, and the change in open commitments from the previous day.

LARGEST FALL EGG PRODUCTION on record and a continued slow outof-storage movement have made for a less than seasonal gain in egg prices,
the Bureau of Agricultural Economics reported this week. There has been
a break in poultry prices, following a period of rising prices during the
season of the year when prices usually decline.

MIMEOGRAPHED reports obtainable from the Bureau of Agricultural Economics are "Statistics of the Peach Industry", "Stocks of Leaf Tobacco Owned by Dealers and Manufacturers, Oct. 1, 1937", "Dairy Products Manufactured in Factories, 1936, Monthly, by States", "Truck Receipts of Fresh Fruits and Vegetables, 11 Important Markets, 1935 and 1936", "Disposition of Cottonseed, Crop Years 1909-36".

A STUDY prepared by the Bureau of Agricultural Economics on the effects of the processing taxes levied under the Agricultural Adjustment Act was issued recently by the Bureau of Internal Revenue of the Tresury Department. The report discusses the incidence of the taxes as they were applied on hogs, wheat, rye, cotton, tobacco, corn, rice, peanuts and sugar. It is obtainable at 15 cents a copy from the Superintendent of Documents, Washington, D. C. The title is "An Analysis of the Effects of the Processing Taxes Levied under the Agricultural Adjustment Act."

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A NOVIEW OF CUPPENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL

ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

December 8, 1937

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Vol. 17, No. 49

NEW JERSEY SECRETARY MAKES ANNUAL REPORT ☆ DEC 1 8 1937 ☆

U. S. Department of Agriculture

The 22nd Annual Report of the New Jersey Department of Agriculture was released this week by Secretary William B. Duryee. The Secretary said that New Jersey dairymen had their most successful year in a decade; that since 1933, the gross income of dairy farmers has outranked the returns yielded by any other agricultural product.

"Voluntary grading of fruits and vegetables this year exceeded that of any previous season," it was stated, the Secretary adding that "quick freezing processes and canning houses in the State have been partly responsible for this as well as for improved quality and more careful packing.

"Auction markets also have been very helpful in teaching the growers the value of packing and grading. Poultry and egg auction markets in New Jersey each handled the largest total volume of sales in their history.

"The New Jersey Fresh Egg Law," Secretary Duryee commented, "has now been operated for 3 years, and has been of decided benefit to producers, distributors and consumers. It has eliminated the selling of low quality eggs as fresh eggs and has given buyers the assurance that when they specify 'fresh', their eggs really are fresh."

Production of certified seed in the State was greatly increased during the past year, Secretary Duryee stated. To be certified, the seed must meet the rigid requirements of the Department. The Secretary recommended that "all livestock auction markets be licensed by the New Jersey Department of Agriculture and supervised by veterinarians."

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STORRS APPOINTED DIRECTOR CONNECTICUT MARKETS BUREAU

Appointment of Benjamin P. Storrs as Director of the Connecticut Bureau of Markets, was recently announced, effective December 1, to fill the vacancy caused by the resignation of Sidney A. Edwards to become Managing Director of the Seventh World's Foultry Congress Exposition to be held at Cleveland, July 28 to August 7, 1939. Mr. Storrs has been connected with the Bureau for several years, and has been serving as market reporter at Waterbury and Hartford.

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"STATISTICAL REPORT of the Deciduous Fruit Export Season, 1936-37." It is obtainable from the Bureau of Agricultural Economics. A small apple crop here in 1936, and a big crop in Europe, made for "smallest exports in 15 years."

ILLINOIS REQUIRES EGGS TO BE GRADED

The Illinois law relating to the handling and sale of eggs in retail trade has been amended to provide for candling and certification at point of distribution, or for grading and certification by State or Federal Departments of Agriculture.

The amended section reads: "No eggs shall be sold to the retail trade in this State unless the same either (1) shall have been candled at the point of distribution and a candling certificate placed by the candler thereof on the top layer under the top flat of every case of eggs, such certificate to be in the form required by the rules and regulations of the Department of Agriculture, signed and dated by the candler, bearing the name and address of the seller, and certifying that all the eggs in the case in which is placed said certificate have been candled in compliance with the provisions of this Act and rules and regulations adopted for the enforcement of this Act by the said Department or Agriculture, or (2) shall have been graded by an official grader of the Department of Agriculture of this State or of the United States Department of Agriculture, or of both such departments, and a certificate thereof, stating the grade and quality of such eggs and the date when graded, which shall not be more than five (5) days prior to such sale, placed in each case or carton of eggs and the case or carton sealed with a seal which is unbroken at the time of such sale."

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TURKEY GRADING SCHOOLS "UNUSUALLY_SUCCESSFUL"

The turkey grading schools held in a number of States were "unusually successful" this year; "the licensed turkey graders did the best job of grading ever done for the Bureau", according to T. W. Heitz of the Bureau of Agricultural Economics. To cite one example, 100 persons from Nebraska, Missouri and South Dakota attended a 2-day school at the Nebraska College of Agriculture at Lincoln. Thirty persons passed and were issued certificates to grade turkeys according to U. S. standards. Of the 100 attending, about 40 were graders for poultry processing firms and 40 were farm turkey producers.

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NORTH_DAKOTA_TO STUDY_TURKEY_MARKET

North Dakota turkeys as they arrive at the Nation's largest market - New York City - will be followed through the marketing processes, by Frank E. Moore of the North Dakota Agricultural College poultry department, in late December. Announcement from the College says "he will watch the birds being sold on the Christmas market, paying particular attention to the selling of full-drawn turkeys." Moore will also spend some time at the National Research Center of the United States Department of Agriculture at Beltsville, Maryland, studying turkey and chicken investigational work. For a number of years, the North Dakota Extension Service has been conducting ecucational programs with producers to improve turkey marketing methods.

CALIFORNIA TRIES WATER-PRECOOLING OF VEGETABLES

Water precooling of vegetables shipped from California to eastern markets is being tried this year under the supervision of the United States Department of Agriculture and the University of California agricultural engineers. The vegetables - celery, cauliflower, and peas - packed for shipment are immersed in water at a temperature of 32 to 34 degrees for 12 to 16 minutes. The produce is then placed in refrigerator cars. Ultra violet sterilizing lamps are being used in some of the precooling units, to kill organisms that might be washed from the vegetables into the water.

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PENNSYLVANIA SAYS BIG DEMAND, GRADED PRODUCTS

Market demands this year for graded Pennsylvania farm products were double what they were in 1936, said Secretary J. Hansell French of the Pennsylvania Department of Agriculture, this week. Inspectors for the Department up to November 1 certified 2,914 carloads of apples, peaches, grapes and potatoes for grade and quality, compared with 1,428 carloads during the same period last year. Secretary French said that graded products from Pennsylvania farms "often bring highest prices on the big eastern markets."

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MINNESOTA FARMERS "CASH IN" ON FARM ADJUSTMENTS

Farm adjustments, induced by facts revealed by the keeping of farm accounts, have been profitable to many Minnesota farmers, according to the Extension Division of that State. One farmer, by increasing the acreage of his sugar beets and sweet corn, eliminating his hog enterprise and increasing his poultry, stepped up his earnings \$1,400 a year, it is stated. Another farmer increased his returns over feed from hogs by \$1,051 in 2 years, after adopting swine sanitation. A third farmer, by enlarging his poultry enterprise, increased his returns over feed from poultry to \$436, with no additional expense except \$50 for additional housing. The Division has record of many similar cases.

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POULTRY BREED-IMPROVEMENT LABELS ARE DESIGNED

Distinctive labels indicating the exact stage of breed improvement and pullorum disease control of chicks sold have been worked out by poultry specialists of the United States Department of Agriculture. They may be used in advertising and on shipping boxes by poultrymen cooperating under the National Poultry Improvement Plan. The labels are in colors: "U. S. Approved" is orange; "U. S. Verified", green; "U. S. Certified", red; "U.S. Record of Performance", blue; "U.S. Register of Merit", purple. "U.S. Pullorum Tested" is green; "U. S. Pullorum Passed" is red; "U.S. Pullorum Clean" is blue.

OKLAHOMA TURKEY GROWERS TRY "FOOL" MARKETING

Producers of turkeys in 15 Oklahoma counties for the first time this year worked together in marketing car lots of dressed turkeys, according to A. W. Jacob, Extension Economist in Marketing. demonstrations were formed by producers by organizing cooperative associations and working jointly in preparing to meet the consumer demand for graded turkeys. One of the pools, at Guthrie (Okla.), worked with a local creamery, where all facilities needed for receiving, killing, dressing, cooling, grading, packing and accounting were obtained. creamery, through contract, agreed to handle producers' birds, including freight and selling charges at central markets at 5 cents per pound, dressed weight. Each producer received an advance of 14 cents per pound on the best grades, and 8 cents on No. 2 birds. Few of the birds were No. 2. The birds were graded, placed in uniform grade boxes and shipped to terminal markets in early November. Final payments were to be received by growers within 30 days of the date of shipment, the creamery selling them through its own selling agency at the central markets.

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NEARLY 10,000 requests have been received by the Federal land banks in the last 10 months for loans to be applied in the purchase of farms, it was announced this week by the Farm Credit Administration. The amount totaled \$38,000,000 and the requests came from every State. Borrowing to assist in farm purchasing has been increasing since 1933, while refinancing of farm indebtedness has been declining for 3 years, it was stated.

SECRETARY WALLACE recently announced that active field work has been started on the establishment of land use projects under Title III of the Bankhead-Jones Farm Tenant Act which authorized a program of land use and land conservation including the acquisition and development of submarginal lands. Representatives of the Bureau of Agricultural Economics, charged with the responsibility of developing the land use program, are investigating possibilities of developing land use projects in North Dakota, South Dakota, Colorado, Kansas, Oklahoma, and New Mexico. Similar work will be started soon in all other States of the Great Plains region.

AN ESTIMATE by the Indiana Extension Service is that 90 percent of the best eggs produced in the State are shipped to out-of-State markets; that Indiana housewives find it increasingly difficult to buy fresh eggs of the best quality at their local stores. An experiment is to be made to determine whether Indianapolis housewives will pay a premium for certified eggs.

COOPERATIVE ORGANIZATIONS in Iowa are becoming increasingly important, say Iowa State College economists, "under the stimulus of the 1935 Iowa law designed to facilitate the reorganization of Iowa cooperatives and to place them on a 'more equitable basis for operation'. "There are about 1,900 cooperatives in the State, doing an annual business estimated at \$125,000,000.

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MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

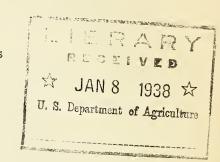
A REVIEW OF CUPRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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Vol. 17, Nos. 50-52

NATIONAL ASSOCIATION OF MARKETING OFFICIALS HOLD SUCCESSFUL CONVENTION

Eighteen States Represented at Sessions Dealing with State Trade Berriers, Improvement of Marketing Conditions in New York City, and Food Promotion Campaigns.



Eighteen State Bureaus of Markets were represented at the Nineteenth Annual Convention of the National Association of Marketing Officials, held at New York City, December 16, 17 and 18. Officials of the Bureau of Agricultural Economics and leaders of the food distribution industries participated in the discussions of subjects including the effects of State trade barriers versus constructive legislation, the efforts being made in New York City to reduce distribution costs, and recent developments in the advertising of farm products by States and by producer and distributor associations. The States represented were Connecticut, Delaware, Florida, Illinois, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Vermont and Virginia. Presiding officers were Webster J. Birdsall, Director, New York Bureau of Markets, as President; and Warren W. Oley, Chief, New Jersey Bureau of Markets, as Acting Secretary.

Trade Barriers

Holton V. Noyes, Commissioner, New York State Department of Agriculture and Markets was Chairman of the opening session on trade barriers. He said "we should have in the United States no economic trade barriers between States. Our States were intended to trade equally and fairly with one another. It was not intended in our plan of government to set up 48 different trade boundaries. Were these barriers to be erected, it would no longer be possible for the State of Washington to market in our own State millions of dollars worth of apples which form a substantial part of its agricultural income, or for the State of Oregon to sell in every part of the United States its choice variety of pears which it advertises nationally. We would have instead frontiers such as they have in Europe. These barriers would be a constant source of annoyance and irritation. The net result of such a policy would be disastrously harmful to the individual States and to the Nation. I earnestly urge you to exert your influence to the discouragement and abandon-

ment of such a policy."

Wells A. Sherman of the Bureau of Agricultural Economics addressed the convention on the effects of trade barriers versus constructive legislation, from the National viewpoint. He said that "for the Nation as a whole the erection by individual States or localities of barriers or impediments to trade, there is one sure effect. A greater or smaller number of citizens are denied some of the good things of life which they might otherwise enjoy. The Nation is poorer because of their deprivation. The fostering of ill-will is another evident and inevitable result of such mistakenly selfish and shortsighted policies.

"Within our borders we find repeated efforts to introduce irritations between State and State. Can a State establish justice by compelling its citizens to use only the products of another group of citizens? Can it insure domestic tranquillity by giving one man the privilege of exploiting another? Is there not danger of touching off an explosion? The States are sovereign within well-defined limits. This sovereignty they wisely insisted upon maintaining in the beginning, but they surrendered the right to interfere with each other, and they agreed that for purposes of trade all should be as one. Any action on the part of any State which aims at interference is of National concern because it is out of harmony with the basic idea of a United States of America."

The Trade Viewpoint

Horace Herr, Secretary, National League of Wholesale Fresh Fruit and Vegetable Distributors, discussed trade barriers from the trade viewpoint. He said " we have so many State laws affecting fresh fruits and vegetables, that no one man can keep informed on them and no one shipper could comply with them. Our national sport seems to be passing laws and then figuring out a way to beat them. We are putting even legislation on a mass production basis and making a chain system out of law avoidance. The wholesale handlers in interstate business favor the acceptance of Federal grades and standards as the grades and standards in State laws", but "if a product is qualified to move under grade designation and in a container, in interstate commerce, it certainly should be qualified for sale under that grade designation and in that container in every market in the United States."

James M. Gwin of the University of Maryland discussed the subject of barriers in the poultry and egg industry. He referred to the many obsolete State laws on poultry and eggs, and suggested that "each State conduct a general check-up for the purpose of bringing these laws up-todate or repealing them. These laws should be studied from a regulatory point of view. If it is found that trade barriers prevent some of these laws from fulfilling their intended purpose an investigation of the conditions responsible for the development of these barriers may prove valuable. The subject of the problem we are discussing implies the thought that barriers established by the 'trade' are responsible for blocking the enactment of all constructive legislation. It has also been assumed to a certain extent that without these barriers it would be possible to legislate Utopian conditions for the industry. It is difficult for me to believe that this is true. There are members of the trade that selfishly oppose all forms of legislation that do not specifically benefit their personal interests; these members, however, are definitely in the minority both in number and influence. Many examples can be found to illustrate the attempts which the trade has made to correct conditions without the aid of legislative action."

Round Table Discussions

There were two round table discussions of trade barriers and constructive legislation in the afternoon of the December 16 session. Lloyd S. Tenny, Business Manager of the Chicago Mercantile Exchange was Chairman of a round table on poultry and eggs; R. G. Phillips, Secretary of the International Apple Shippers' Association was Chairman of a round table on fruits and vegetables.

Earl W. Benjamin of the Pacific Egg Producers Cooperative, Inc.; C. L. Poole of C. L. Poole & Co., Inc.; Julius Kroeck of Massachusetts, and Leon Todd of New Jersey participated on the round table on poultry and Eggs. Chairman Tenny reported to the Association a recommendation by Mr. Benjamin that "the Marketing Officials Association appoint a committee to hold hearings or otherwise collect information as to opinions of the trade, consumers, and producers, as to improvement which might be made in State egg laws, including both cold storage and fresh egg laws, and report back at the next meeting of the Association." The Association later authorized the appointment of two such committees, one on poultry and eggs, and one on fruits and vegetables.

J. Earl Roberts, Past President, National League of Wholesale Fresh Fruit and Vegetable Distributors; Charles W. Havener of George F. Fish, Inc., New York City; E. A. Flemming, Chief of the Ohio Division of Markets, and John A. Logan, Executive Vice-President, National Association of Food Chains were participants in the round table on fruits and vegetables.

Mr. Roberts cited instances of difficulties in doing business in interstate trade through the sudden enforcement of an obsolete weights and measures law in Pennsylvania, making it difficult to sell produce in the Philadelphia market. He urged the selection of State law enforcement officials on the basis of merit rather than for political reasons.

Mr. Flemming said that "Ohio's standardization law does not discriminate against any other State. We permit any grade of farm produce to be shipped into Ohio so long as it is properly marked with the packer's or grower's name, address and a grade statement. I found myself up against a selling problem when we had grown on our fruit farm a crop of fine quality apples amounting to 15 or 16 carloads and I started out to find buyers for them. I was told by the commission men that they did not handle Ohio apples — they sold the western boxed apples or the New York apples because the Ohio apples lacked a reputation and the growers had no standard for grading and packing.

"Another good reason for creating a standardization law was the fact that our State was fast becoming a 'dumping ground' for inferior quality produce which could not find a market in other places but could be shipped or hauled into Ohio markets with no grade markings, and was blocking the market for our own products as well as the better graded products shipped in from other States. Yet there was no law to prohibit the bringing in of unmarked, ungraded or misbranded products and you can well imagine what was found on the markets. So it became necessary to establish a law that would bring about better marketing conditions."

Barriers Violate Constitution

Mr. Logan, representing the National Association of Food Chains, said that "when the framers of our Constitution met 150 years ago they had in mind one significant reason for the failure of the Articles of Confederation. That was that the individual States were moving more and more in the direction of 13 independent countries, with trade barriers being erected by each against the others. These men recognized the value of trade among the States, and that no impediments should be permitted to obstruct that trade. Accordingly, they wrote into the Constitution a prohibition that no State shall 'lay any impost or duties on imports or exports, except what may be absolutely necessary for executing its inspection laws'.

"If the letter of the Constitution has been preserved, certainly its spirit has been broken. Some State food and drug laws are in effect duties on out-of-State products. State resale price maintenance laws, unfair practice acts, and sales taxes tend to break the country up into separate marketing units so that the manufacturers or producers who seek a national market must adopt varying policies to meet local requirements. Discriminatory chain store taxes are trade barriers - barriers not only to interstate trade but to the free flow of commerce everywhere."

Poultry Producers Federation

H. D. Copeland, Secretary, National Poultry Producers Federation, addressed the convention on the significance of the Federation to the poultry industry. He explained that the Federation represents all the regional and all the national organizations in the poultry industry; that the tentative list of individual members of affiliates for the Federation is 146,000, "which is more than twice the number of commercial egg producers in the United States." The stated purposes of the Federation, as set forth in the Federation constitution and by-laws as approved at a meeting in New York City, November 16, are to "coordinate the views of the various egg and poultry producing, breeding and producer-cooperative marketing organizations, and promote their interests in legislative and other matters; and to cooperate with other organizations in matters of mutual welfare."

Seventh World's Poultry Congress

Sidney A. Edwards, Managing Director of the Seventh World's Poultry Congress and Exposition, read a paper describing the organization and objectives of the Congress, and calling upon State agencies for cooperation in making the Congress a success.

Food Distribution in New York

Gordon C. Corbaley, President, American Institute of Food Distribution was Chairman at the afternoon session on December 17, the subject being "What the City of New York is Doing to Facilitate Food Distribution in the World's Largest Market."

Mr. Corbaley emphasized the importance of New York as a market for farm products, pointing out that the 8 million people there spend "as much money in the purchasing of retail foods as the annual disbursements of all the States in the South, running from Virginia south to the Gulf, including Florida and Louisiana. Into New York come some 300,000 to 400,000 truckloads a year of fruits and vegetables alone, outside the rail and water movement." He spoke of the high cost of traffic congestion and expense of doing business. Every step that is made toward reducing the cost of moving foods in New York is a step, he said, toward enlarging the outlet for those foods.

Poultry Rackets

Sol Gelb of District Attorney-elect Thomas Dewey's office was introduced by Mr. Corbaley as being "one of the dynamic forces" in cleaning up the New York poultry racket which levied tribute on truck drivers and others and added to the cost of marketing poultry. Mr. Gelb told how the racket was broken up by convicting "Tootsie" Herbert, its leader, of embezzlement of "Union" funds. Herbert had become the head of unions, and forced members of the poultry trade to join under threat of reprisals. Persons who did not join had their trucks destroyed and their shops wrecked. A penny was levied on every pound of poultry sold in New York, and merchants who refused to pay found their homes bombed, their trucks burned, or crankcases ground with emery powder. Herbert monopolized the poultry feed industry. The quickest way to "get" him, Mr. Gelb pointed out, was on the charge of embezzling money from the unions he headed. Herbert was sentenced to 10 years in State's Prison.

Sol Pincus, Deputy Commissioner of the New York Department of Health, described the methods used to keep the City's milk supply pure. He said that about 67,000 dairies supply milk to New York City. All must be inspected. The Department has 37 inspectors in the field, under the direction of 6 supervisors. In addition, the wholesale dealers have their own country inspectors. Milk high in bacteria, as revealed by udder tests, is rejected at the shipping platforms. Describing poultry slaughter inspection, Mr. Pincus said that any country killed carcasses must be brought to one of eight markets, where a veterinary examines and stamps them.

William Fellowes Morgan, Jr., Commissioner, New York Department of Markets, Weights and Measures described the efforts to narrow marketing spreads by the establishment of terminal markets and the elimination

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of unnecessary handling and carting charges. He cited the development of the Bronx Terminal Market and said "we are intensely interested in the development of the market on Washington Street. It is quite probable that we will need the help of the Federal Government to solve and finance the development of a proper terminal market there on the Lower West Side." Describing the situation as to pedlers' markets, he said that "on Upper Fifth Avenue we used to have 360 street pedlers: they are now enclosed in buildings; 20,000 to 25,000 people a day go through that market; those merchants, formerly pedlers, are able to operate on a minimum margin profit because of increased volume. We also developed Wallabout Market, whereby every merchant has the privilege of bringing in his carload lots of fruits and vegetables from any point, at the Harbor rate." Commissioner Morgan also cited the Consumer's Service which reports food supplies daily by press and radio, as a factor in moving surplus products into household consumption. He described the cleaning-up of the "fish market racket" and of the "artichoke racket". Describing cheats in weights and measures, he said that a pedler would buy two scales of a certain type of exactly the same make and size, one a 25-pound scale. the other a 20-pound scale. The face of the 20-pound scale would then be put on the 25-pound scale. Discovery of the deception resulted in the banning of the scale in New York.

Advertising Farm Products

C. W. Kitchen, Assistant Chief of the Bureau of Agricultural Economics was Chairman of a session on December 18, dealing with the advertising of farm products by States or associations. He said "no doubt advertising has helped to increase the consumption of processed and packaged foods, and has helped to create agricultural industries which might not otherwise have come into existence. Extensive paid advertising of fresh foods, however, is a more recent development. Most of it has come about in the last 25 years.

"California producers started paid advertising of citrus in 1907 and Florida followed 2 years later. The Cranberry Exchange has been advertising for about 20 years. Such paid advertising has been primarily to promote the sale of private brands or commercial trade-marks. course, to the extent that such advertising may have increased total consumption of these products, all producers of them have benefited.

"Along with paid advertising by private distributors, there have developed association or institute activities. Perhaps outstanding examples are the National Dairy Council and the National Livestock and Meat Board, both of which have been engaged for years in various lines of research and consumer education. Foods probably receive more free or good-will publicity than any other commodity. Institutes such as those mentioned, and other associations, as well as agencies of Federal, State, and city governments, are constantly supplying information regarding foods.

"Five States - Florida, Maine, Washington, Idaho, and Michigan have recently passed laws providing for advertising certain fresh fruits

and vegetables. There are similar laws in other States pertaining to other commodities. Presumably, the motivating purpose behind such laws is to popularize these products in markets outside the State."

Maine Potatoes

Sturgis Dorrance of the Maine Development Commission described the Maine potato advertising campaign which is financed by a tax levied by the State. The potatoes are sold under a State of Maine trademark, used by growers and shippers licensed by the Department of Agriculture. A similar campaign on Maine canned blueberries is being organized. In January or February there will be campaigns on seafoods. Plans are being made for a campaign on State of Maine sweet corn. Other State of Maine products are to be added. Mr. Dorrance was asked whether he believes the value of advertising by a single State would be as great as a campaign on a National basis. He replied he believed the State of Maine would be glad to contribute a substantial amount from the tax moneys to a National campaign on potatoes.

New York Milk

Paul Smith, Director of the Bureau of Milk Publicity of the New York Department of Agriculture and Markets, described the New York State advertising campaign on milk. He said that in 1934 the Legislature appropriated \$500,000 to advertise milk, the amount to be repaid by producers and dealers, through an assessment of ½ cent a hundred pounds upon producers, and ½ cent upon dealers. Consumers were urged to consume more milk "for health" and to aid the producer. The next year the appropriation was cut to \$400,000, and a new advertising agency selected. The campaign was directed at adults in 8 metropolitan areas of the State. The third year the appropriation was further reduced to \$250,000. Last year the appropriation was raised to \$300,000, to be used in newspaper and radio advertising, and in publicity through mat services to newspapers, and the preparation of booklets for consumers. Different appeals were made: "Keep Your Skin Beautiful by Drinking Milk"; "To Sharpen a Dull Brain, Alkalize With Milk"; "Milk Is a He-Man's Drink"; "Guard Against Colds With Milk".

Mr. Smith said the first year's campaign showed no results; there was a steady decline in consumption of milk. The new appeals halted the downward trend, he said, and consumption started to go up. He said that since the summer of 1935 there has been a gain of 6 percent each month over the corresponding month the preceding year. Meanwhile, he said that in Boston, where no advertising has been done, consumption has continued to decline; that Philadelphia shows only a slight increase in consumption. "We have proved," he added, "that you can appeal to people in a way to get them to drink more milk." (The State Tax Department collects the money from producers and dealers.)

Florida Citrus

F. W. Risher of the Florida Marketing Bureau described the Florida Citrus advertising program. He said that National advertising for the purpose of increasing consumption of the Florida citrus crop was made

possible through State legislation in the creation of a State Citrus Commission, by an Act of the Florida Legislature. The Commission is empowered to collect and disburse funds for this purpose, the amount available for advertising depending upon the volume marketed, either as fresh fruit or a processed commodity. The tax is 1 cent per standard box or its equivalent on oranges, 3 cents on grapefruit, and 5 cents on tangerines. The Commission expects to spend this season about \$450,000 in national advertising of fresh citrus fruits and around \$200,000 in advertising canned grapefruit and juice. About \$30,000 was spent last season in advertising in Great Britain.

Mr. Risher said that orange advertisements will appear once a week in 140 newspapers in 90 important markets. Grapefruit advertising will be published in 120 papers in 76 important markets, and 47 papers will carry tangerine advertisements once a week. In addition, much publicity is circulated to trade journals Radio advertising is carried over the N.B.C. network of 32 stations twice a week for 26 weeks. Special material is supplied to retail dealers and a force of 8 experienced field men are available to assist the trade in sales promotion.

Mr. Risher said that in addition to the Citrus Commission Act there are grapefruit, orange and tangerine advertising acts, a bond and license act, citrus maturity act, color added act, field box act, growers' cost guaranty act, an act regulating shippers' charges, and an act which empowers the Citrus Commission to raise or lower the quantity of grapefruit juice required to meet maturity requirements.

Northeastern Apples

Henry S. Ortega, General Manager of the New York and New England Apple Institute, told how northeastern apples are being publicized. The Institute was started about 3 years ago. It is composed of growers in the New York and New England area. "The purpose," the speaker said, "was to fight the continuance of a decline we have been facing for the past 30 years in the apple industry." The Institute was formed to get growers to contribute on the basis of 1 cent per bushel of their commercial crop to develop an advertising, publicity and merchandising pro-"The work has been effective and productive," Orega said. trade elements have given us wonderful cooperation; they have advertised apples more in the past 3 years in our area than ever before in the history of their own organizations." The "variety" form of advertising is used, in an effort to get consumers to buy according to "variety" instead of ordering merely "eating" or "cooking" apples. The publicity seeks to teach housewives the particular uses for the different varieties of apples. Recipe booklets are distributed. There is a "mat" service to dealers. The first year the Institute raised \$17,000; the second year, about \$22,000. This year it is hoped to raise \$50,000. Pledges have already been made, amounting to \$40,000. The Institute members were said to handle about 40 percent of the commercial northeastern crop.

Egg Publicity

Benjamin Titman, Chairman of the National Egg Council, Inc., described the National egg publicity program. The Council was created 3 months ago, by the local trade in New York. The purpose was to increase quickly the consumption of eggs in the New York Metropolitan Market. "We had to bring home to the public the truth about the health value, nutritive value, and economy value of eggs," the speaker said. "To spread our campaign of education we had to have the help of many organizations. Every New York newspaper has given us generous support. Each has devoted extensive space on its food pages to stories, pictures, and recipes featuring eggs. We have shouted over the radio until our egg story was heard in every home. Eggs for health, eggs for beauty, eggs for vitamins, eggs for minerals, eggs for proteins, eggs for economy."

Mr. Titman said "every related merchandising group cooperated. The chain grocery systems have been making special efforts to promote egg consumption. Independent grocers have assumed their share of the work. Dairies, restaurants, drug stores, cafeterias, soda fountains, railroads, and bars have helped out. Woolworth's fountains and restaurants are displaying 30,000 of our menu riders and 2,000 streamers and posters promoting egg drinks, egg sandwiches, and egg dishes. Twentyfive thousand posters are on display in conspicuous places, 60,000 window streamers, 30,000 wall streamers, and nearly 250,000 menu riders. Hearn's Department Store ran an all-star show about eggs. Leading stars entertained. Crowds had to be turned away. Dr. Mary Pennington heads a group of leading scientists who constitute our Technical Advisory Committee."

Mr. Titman said that "sales of eggs in October were 24,000 cases under a year ago the same month. In November, when we began to gain some momentum, sales jumped 88,000 cases, or 17 percent over November 1936."

Northwest Fruits

L. Caffrey of Pacific Northwest Fruits, Inc., described the work of the "Doc. Apple Family" to advertise Pacific Northwest fruits. The "Family" is composed of the Apple Growers Association of Hood River, Oregon; the Yakima Fruit Growers Association of Yakima, Washington; the Wenatchee-Okanogan Cooperative Federation, and the Skookum Packers These cooperatives represent 3,000 growers. Under a five year contract they finance the work of the Pacific Northwest Fruits, Inc. by a 2 cents or less per box deduction, to a total of \$165,000 a year. The work of the Corporation includes research in consumer preferences and buying habits, retail and jobber problems, new uses for apples, competition, buying power and crop movement; the operation of a marketing committee to coordinate this information, to formulate and recommend sales policies, exchange sales information, storage reports, and crop movement reports, and in general plan with the advertising committee on the most effective use of advertising expenditures. Other activities include standardization in uniform picking, packing, storage and precooling methods. The publicity and member relations committee contacts the buying trade, the advertising media, business interests and the press in general. A committee deals with the standardization of containers.

Fish Market News Service

R. H. Fiedler, Chief of the Division of Fishery Industries of the United States Bureau of Fisheries, described the organization and objectives of the Bureau's recently established fish market news service in New York. He said the service is being developed in a manner similar to Federal market news services for other commodities in terminal markets. Daily reports will be issued covering the arrivals of seafoods in the market, prices of the various classes of commodities, and cold storage movements of fish. As development permits, information from important producing centers, such as daily production or shipments, fishing concitions and prices will be added. A system of obtaining records of the volume of truck arrivals is being developed. Arrangements have been made made with the rail and water carriers in New York City, and with other groups, to obtain data on receipts. The service is to be started early in 1938.

The Bureau plans to set up a similar service at Boston; later, to establish market news services elsewhere along the Atlantic and Gulf Coasts, on the Lakes, and on the Pacific Coast. Mr. Fiedler solicited the cooperation of the State Bureaus of Markets in the dissemination of the fish market news. He is contacting the various State Bureaus for suggestions and counsel in developing the policies, scope and procedure of the new work.

Report of Fish Committee

J. H. Meek of the Virginia Division of Markets submitted, as Chairman, the report of a Fish Committee appointed by the National Association of Marketing Officials at its 1937 Convention to ascertain how the State officials may cooperate with the Bureau of Fisheries in the fish market news service. Other members of the Committee were C. M. White of the Maine Division of Markets, and L. M. Rhodes of the Florida Marketing Bureau.

The Committee reported "it appears that the market news service for fish can be coordinated with the market news service for agricultural commodities"; that "where there are economic studies relating to agricultural commodities, by State marketing agencies, similar studies should be made relating to the marketing of fishery products"; that "it is exceedingly important that a voluntary Federal-State inspection service for fishery products be established without delay"; that "a fishery conservation plan along the line of the soil conservation subsidy is needed to protect, conserve and develop the industry."

New Officers

E. A. Flemming of the Ohio Division of Markets was elected as President of the National Association of Marketing Officials, for the ensuing year. S. B. Shaw of the Maryland Department of Markets was elected as Vice-President. W. W. Oley of the New Jersey Bureau of Markets was elected as Secretary-Treasurer. Mr. Oley's address is Trenton, New Jersey. The Twentieth Annual Convention of the Association will be held at Cleveland, Ohio.

